



NAVAL POSTGRADUATE SCHOOL

MONTEREY, CALIFORNIA

THESIS

**FROM ROGUE TO VOGUE: WHY DID LIBYA GIVE UP
ITS WEAPONS OF MASS DESTRUCTION?**

by

Joseph D. McFall

September 2005

Thesis Co-Advisors:

Peter R. Lavoy

Jeffrey Knopf

Approved for public release; distribution is unlimited

THIS PAGE INTENTIONALLY LEFT BLANK

REPORT DOCUMENTATION PAGE			Form Approved OMB No. 0704-0188	
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188) Washington DC 20503.				
1. AGENCY USE ONLY (Leave blank)		2. REPORT DATE September 2005	3. REPORT TYPE AND DATES COVERED Master's Thesis	
4. TITLE AND SUBTITLE: Title (Mix case letters) From Rogue to Vogue: Why Did Libya Give Up Its Weapons of Mass Destruction?			5. FUNDING NUMBERS	
6. AUTHOR(S) Joseph D. McFall				
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Naval Postgraduate School Monterey, CA 93943-5000			8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING /MONITORING AGENCY NAME(S) AND ADDRESS(ES) N/A			10. SPONSORING/MONITORING AGENCY REPORT NUMBER	
11. SUPPLEMENTARY NOTES The views expressed in this thesis are those of the author and do not reflect the official policy or position of the Department of Defense or the U.S. Government.				
12a. DISTRIBUTION / AVAILABILITY STATEMENT Approved for public release; distribution is unlimited			12b. DISTRIBUTION CODE A	
13. ABSTRACT (maximum 200 words) This thesis analyzes Libya's historic 2003 decision to abandon its weapons of mass destruction (WMD) programs. In the two years following the decision, several theories have emerged to explain why the Libyan regime renounced these dangerous weapons. I use current literature and relevant sources to analyze the three most probable external causal factors: sanctions and diplomacy, intelligence, and coercive diplomacy. I find that sanctions, diplomacy and intelligence were significant in altering the Libyan cost-benefit analysis in favor of the West. These findings have political and theoretical implications. Lessons learned from the Libyan case will not be effective against Iran and North Korea due to differences between these countries' proliferation motivation levels and the Libyan case. However, the influence strategies that were effective against Libya are likely to be applicable in other situations. I find that more research is still needed to identify the conditions when different strategies are most likely to be effective.				
14. SUBJECT TERMS Libya, Qadhafi, Weapons of Mass Destruction, Proliferation, Diplomacy, Sanctions, Intelligence, Coercive Diplomacy, Influence Strategies			15. NUMBER OF PAGES 101	
			16. PRICE CODE	
17. SECURITY CLASSIFICATION OF REPORT Unclassified	18. SECURITY CLASSIFICATION OF THIS PAGE Unclassified	19. SECURITY CLASSIFICATION OF ABSTRACT Unclassified	20. LIMITATION OF ABSTRACT UL	

NSN 7540-01-280-5500

Standard Form 298 (Rev. 2-89)
Prescribed by ANSI Std. Z39-18

THIS PAGE INTENTIONALLY LEFT BLANK

Approved for public release; distribution is unlimited

**FROM ROGUE TO VOGUE: WHY DID LIBYA GIVE UP ITS WEAPONS OF
MASS DESTRUCTION?**

Joseph D. McFall
Major, United States Air Force
B.S., United States Air Force Academy, 1993

Submitted in partial fulfillment of the
requirements for the degree of

MASTER OF ARTS IN SECURITY STUDIES

from the

**NAVAL POSTGRADUATE SCHOOL
September 2005**

Author: Joseph D. McFall

Approved by: Peter R. Lavoy
Thesis Co-Advisor

Jeffrey Knopf
Thesis Co-Advisor

Douglas Porch
Chairman, Department of National Security Affairs

THIS PAGE INTENTIONALLY LEFT BLANK

ABSTRACT

This thesis analyzes Libya's historic 2003 decision to abandon its weapons of mass destruction (WMD) programs. In the two years following the decision, several theories have emerged to explain why the Libyan regime renounced these dangerous weapons. I use current literature and relevant sources to analyze the three most probable external causal factors: sanctions and diplomacy, intelligence, and coercive diplomacy. I find that sanctions, diplomacy and intelligence were significant in altering the Libyan cost-benefit analysis in favor of the West. These findings have political and theoretical implications. Lessons learned from the Libyan case will not be effective against Iran and North Korea due to differences between these countries' proliferation motivation levels and the Libyan case. However, the influence strategies that were effective against Libya are likely to be applicable in other situations. I find that more research is still needed to identify the conditions when different strategies are most likely to be effective.

THIS PAGE INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

I.	INTRODUCTION	1
A.	THE DECEMBER 2003 DECISION	1
B.	LIBYA: BACKGROUND INFORMATION	3
C.	CHARACTERISTICS OF THE LIBYAN WMD PROGRAM	3
	1. Oil=Money=Influence: Why pursue WMD?.....	3
	2. What Was the Nature of the Libyan WMD Program?	4
D.	THE CAUSAL DEBATE	6
	1. Internal Politics and Poor Success Rate: The Dam Bursts	7
	2. Sanctions and Inducements: The Reservoir Dries Up.....	8
	3. Intelligence: Everyone Knows the Water is Contaminated.....	9
	4. Coercive Diplomacy: We Are Going to Blow Up Your Dam.....	10
E.	METHODOLOGY, ROADMAP, AND SOURCES	11
	1. Methodology	11
	2. Roadmap.....	11
	3. Sources.....	12
F.	FINDINGS	12
	1. Finding 1: Sanctions and diplomacy <u>were</u> significant in Libya's WMD renunciation	12
	2. Finding 2: Intelligence work <u>was</u> significant in persuading Libya to renounce its WMD.....	13
	3. Finding 3: Coercive diplomacy <u>was not</u> significant in Libya's decision to renounce WMD.....	13
	4. Finding 4: Sanctions and diplomacy as well as good intelligence work were the major significant external factors in Libya's renunciation of WMD.....	14
	5. Policy and Theoretical Implications	14
II.	POLITICS AND MONEY: WERE THE COSTS OF PROCURING WEAPONS OF MASS DESTRUCTION TOO HIGH FOR LIBYA?	15
A.	INTRODUCTION	15
B.	A BRIEF HISTORY OF SANCTIONS	15
C.	ANALYSIS OF SANCTIONS	17
	1. Method of Analysis	18
	2. Sanctions and Libyan WMD.....	19
	3. Reagan-era Sanctions	21
	4. UN-Sponsored Sanctions	22
	5. ILSA	23
	6. Overall Economic Impact	24
	7. Political Impact	25
D.	HOW EFFECTIVE WERE THE SANCTIONS?	26
E.	ENGAGING LIBYA	28

F.	THE UTILITY OF SANCTIONS AND ENGAGEMENT	29
G.	SUMMARY.....	30
III.	WE KNOW WHAT YOU DID LAST SUMMER: DID LIBYA BELIEVE THAT IT COULD NOT GET AWAY WITH WMD PROCUREMENT?	33
A.	INTRODUCTION	33
B.	INTELLIGENCE AND LIBYAN CASE.....	34
1.	Western Intelligence and Libyan State-Sponsored Terrorism.....	34
a.	<i>The Early 1980s</i>	34
b.	<i>The Berlin Discotheque Bombing</i>	35
c.	<i>Pan Am 103 and UTA 772 Bombings</i>	36
d.	<i>Summary</i>	37
2.	Western Intelligence and Libyan WMD.....	38
a.	<i>Rabta</i>	38
b.	<i>Tarhunah</i>	40
c.	<i>Libyan Missile Program</i>	41
d.	<i>Libyan Nuclear Program</i>	41
e.	<i>Intelligence Limitations</i>	43
f.	<i>Summary</i>	44
C.	SIGNIFICANCE OF INTELLIGENCE IN THE LIBYAN CASE.....	44
1.	Support of Other Policies.....	44
2.	Nonproliferation Support	45
3.	Counter-proliferation Support	45
4.	Conclusion	47
IV.	WE GOT SADDAM, YOU'RE NEXT: DID THE THREAT OF U.S. MILITARY FORCE COMPEL LIBYA TO GIVE UP ITS WMD?.....	49
A.	INTRODUCTION	49
B.	AMERICAN THREATS AND MILITARY ACTIONS AGAINST LIBYA	50
C.	METHODOLOY	52
1.	Elements of Coercive Diplomacy	53
2.	Coercive Diplomacy and Libya: Defining Efforts and Objectives	53
D.	COERCIVE DIPLOMACY AND ITS EFFECTIVENESS AGAINST LIBYA	56
1.	Gulf of Sidra Policy in the 1980s	56
2.	Operation EL DORADO CANYON	56
3.	The Rabta Crisis	57
4.	The Tarhunah Crisis	59
5.	President Bush's National Security Strategy and the Iraq Factor	60
6.	Coercive Diplomacy and its Libyan Success Rate	61
D.	WERE YOU REALLY SCARED MUAMMAR?	62
V.	CONCLUSION: FINDINGS AND IMPLICATIONS FROM THE LIBYAN CASE.....	65

A.	INTRODUCTION	65
B.	IMPACT AND SIGNIFICANCE OF VARIOUS INFLUENCE STRATEGIES	66
1.	Sanctions and Diplomacy	66
a.	<i>The 1980s</i>	66
b.	<i>The 1990s</i>	67
c.	<i>2000-2003</i>	68
d.	<i>Finding 1: Sanctions and diplomacy <u>were</u> significant in Libya's WMD renunciation.....</i>	68
2.	Intelligence.....	69
a.	<i>The 1980s</i>	69
b.	<i>The 1990s</i>	69
c.	<i>2000-2003</i>	70
d.	<i>Finding 2: Intelligence work <u>was</u> significant in persuading Libya to renounce its WMD</i>	71
3.	Coercive Diplomacy	71
a.	<i>The 1980s</i>	71
b.	<i>The 1990s</i>	72
c.	<i>2000-2003</i>	72
d.	<i>Finding 3: Coercive Diplomacy <u>was not</u> significant in Libya's decision to renounce WMD</i>	73
4.	Summary	73
a.	<i>Finding 4: Sanctions and diplomacy as well as good intelligence work were the major significant external factors in Libya's renunciation of WMD</i>	73
C.	POLICY IMPLICATIONS.....	74
1.	Implication 1: Lessons from the Libyan case are not comprehensively applicable to more highly motivated proliferators such as Iran and North Korea	74
2.	Implication 2: Lessons from the Libyan case can be applied to other potential proliferators	76
3.	Implication 3: The effective use of intelligence agencies in counter-proliferation scenarios is very important	76
D.	THEORETICAL IMPLICATIONS	76
1.	Theoretical Question 1: What is the value of placing additional unilateral sanctions on top of existing multilateral sanctions?.....	76
2.	Theoretical Question 2: What is the effectiveness of <i>Blanket Coercive Diplomacy</i> ?	77
E.	CONCLUSION	77
	LIST OF REFERENCES	79
	INITIAL DISTRIBUTION LIST.....	85

THIS PAGE INTENTIONALLY LEFT BLANK

LIST OF FIGURES

Figure 1.	Libyan Oil Production	23
Figure 2.	Libyan GDP (Sanction Years)	25
Figure 3.	Intelligence Effectiveness	46
Figure 4.	Effectiveness of Influence Strategies.....	66

THIS PAGE INTENTIONALLY LEFT BLANK

ACKNOWLEDGMENTS

I would like to express my sincerest gratitude to my thesis advisors, Dr. Peter Lavoy and Dr. Jeffrey Knopf for their guidance, keen insight, and overall support in this endeavor.

I would also like to acknowledge the much appreciated scrutiny of my thesis working group. Jackie Chang, Chris Clary, Pete Madsen, Arnie Nash, Todd Shull and Liz Stone offered invaluable advice on both content and style.

Finally, I wish to thank the three greatest ladies in the world. My daughters, Chloe and Baileigh, always made me smile when I needed it most. And to my wife, Laura, thank you for your constant love, encouragement, and brutal honesty.

THIS PAGE INTENTIONALLY LEFT BLANK

I. INTRODUCTION

A. THE DECEMBER 2003 DECISION

Less than two years ago, the world became a safer place. Libya, a long-time thorn in the side of the West, announced that it would abandon its weapons of mass destruction (WMD) programs. In the historic announcement on December 19, 2003, Libya pledged to destroy its chemical and nuclear weapons programs, declare its nuclear activity to the International Atomic Energy Agency (IAEA), eliminate its longer range missiles, and destroy its chemical stockpiles. Additionally, the country promised to sign the Additional Protocol of the IAEA, and allow immediate monitoring and inspections to ensure its compliance.¹ These positive steps came in the wake of Libya's apparent abandonment of state-sponsored terrorism. In 1999, Libya handed over the two main suspects in the 1988 terrorist bombing of Pan Am flight 103 and the 1989 bombing of French flight UTA 772.² Additionally, the North African nation made United Nations mandated payments to families of the victims.

In return, the United States and the international community pledged to drop sanctions against Libya and work to welcome the country back into the international community. In the year and a half following the announcement, Libya seems to be making good on its promises. After onsite inspections in January 2004, several key parts of the Libyan WMD program had been removed for safekeeping within the United States. The pieces included nuclear centrifuges, a uranium conversion facility, blueprints for nuclear weapons, uranium hexafluoride (yellow cake), and guidance kits for SCUD-C ballistic missiles. Further inspections in March 2004 verified that Libyan authorities had destroyed thousands of unfilled chemical munitions and safeguarded 24 metric tons of mustard gas that the country had produced over the years.³ Inspectors have been unable to uncover any concrete evidence of a Libyan biological program, and Libyan officials

¹ Sharon Squassoni and Andrew Feickert, "Disarming Libya: Weapons of Mass Destruction," CRS Report RS21823, 22 April 2004, 1-2.

² Clyde R. Mark, "Libya," CRS Issue Brief IB93109, 17 March 2005, 3.

³ Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction, *Report to the President of the United States*, (Washington D.C.: U.S. Government Printing Office, 31 March 2005), 252. Hereafter referred to as *Intelligence Capabilities Report*. Squassoni and Feickert note in their report to Congress that the blueprint was of a first generation Chinese fission bomb

deny having any knowledge of more than a program in the initial planning stage.⁴ In perhaps the most telling of overt gestures on the part of the long-time pariah, Libyan leader, Muammar al-Qadhafi, recently told his government that the United States is not his enemy and that one day the two countries could become friends.⁵ Friendly relations are now well within reach.

The United States and the international community are rewarding Libyan action with far greater acceptance into mainstream politics and the global economy. Just a few months after Libya's WMD pledge, the United States re-established diplomatic presence in the former rogue nation. As of September 2004, President Bush had ended almost all of the economic sanctions against Libya.⁶ Libya remains on the state-sponsored terrorist list and is therefore subject to some lingering mandatory sanctions. Nations on this list cannot purchase military equipment, weapons, or dual-use items. However, negotiations may soon remove Libya as a state-sponsor of terror if some outstanding payments are made to families of the Lockerbie bombing.⁷

This giant shift in Libyan policy is quite significant. Joseph Cirincione notes, "It marks the first time in almost 30 years that any nation has ended such a program without a change in regime."⁸ Additionally, this shift in action comes from a country that has been an avid sponsor of harmful terrorist activities and alienated itself from the United States and its allies. Beyond its obvious historical significance, Libya's decision to abandon its WMD programs carries more important implications for a world where nonproliferation efforts face rising and possibly insurmountable challenges. If the significant causal factors leading to Libya's turnaround can be properly identified, then there is a greater likelihood that the United States may be able to successfully employ them towards other would-be proliferators. Just as importantly, well-informed policy-

⁴ *Intelligence Capabilities Report*, 255-56. The intelligence community thought that Libya was actively pursuing an offensive biological weapons program. Inspections and interviews have left these suspicions unconfirmed.

⁵ Mark, "Libya," 1.

⁶ President George W. Bush, *Executive Order*, 20 September 2004. This order rescinded several emergency executive orders placing sanctions on air travel, aircraft purchases, freezing Libyan assets as well as other economic measures. Order found at: <http://www.whitehouse.gov/news/releases/2004/09/20040920-5.html>

⁷ Mark, "Libya," 2.

⁸ Joseph Cirincione, "The World Just Got Safer, Give Diplomacy the Credit," *Washington Post*, 11 January 2004.

makers will know to be cautious before applying the Libyan model to any situations where the conditions that led to success in the Libyan case are not present.

This chapter briefly gives background on the country of Libya. It then discusses the characteristics of the Libyan WMD program. Next, it introduces and discusses the causal debate concerning Qadhafi's renunciations and previews the remaining chapters. Finally, it briefly presents the major findings of this work.

B. LIBYA: BACKGROUND INFORMATION

Libya is a large North African country located on the Mediterranean Sea. It shares borders with Algeria, Chad, Egypt, Niger, Sudan, and Tunisia. The country has a population of 5,765,563. The Libyan economy depends heavily upon income from its oil sector which is made up of both oil and natural gas. Oil exports account for nearly all of Libya's export earnings and approximately 25 percent of GDP. Oil revenue and the country's relatively small population provide Libya one of the highest per capita GDPs in Africa. However, little of this income flows down to the lower classes of the nation.

Qadhafi took power in 1969 following a successful coup and has remained in power ever since. Almost immediately, Qadhafi instituted his own political system known as the Third Universal Theory. The system combines socialism and Islam derived drawing on tribal practices. In theory, it is implemented by the Libyan people using "direct democracy." In practice, Qadhafi runs a strictly authoritarian government. Qadhafi considers himself a revolutionary and visionary leader. He used his substantial petroleum wealth in the 1970s and 1980s to try and spread his ideology beyond Libya's borders. He supported subversives and terrorists outside of the country to facilitate the end of Marxism and capitalism. In 1973, he initiated military operations in northern Chad to both gain access to minerals and influence Chadian politics. In 1987, Libya retreated from Chad.⁹

C. CHARACTERISTICS OF THE LIBYAN WMD PROGRAM

1. Oil=Money=Influence: Why pursue WMD?

Libya's association with WMD began soon after the 1969 coup that brought Colonel Muammar al-Qadhafi to power. From the very beginning of his dictatorship,

⁹ CIA World Factbook, "Libya," <http://www.cia.gov/cia/publications/factbook/geos/ly.html>, September 2005. All facts in this section come directly from this website.

Qadhafi, “had ambitions to become the leader of the Arab world and to raise Libya’s prestige among Islamic and other Third World countries,” notes Cirincione.¹⁰ Qadhafi chose conventional firepower, international terrorism, and WMD to achieve these goals. By the late 1980s the colonel realized that conventional power and terrorist activities were not nearly as effective as he had hoped. Qadhafi steadily isolated himself from the Western world without the increase in clout and prestige among his Arab neighbors that he had so doggedly worked for. Most likely, the other Arab nations saw him more as a liability than a strong regional role-model. He subsequently began to rely more heavily on WMD to further his strategic aims. As a result of these setbacks, Qadhafi placed greater emphasis on a potentially volatile strategy. He chose to begin developing WMD. Qadhafi saw these types of weapons as critical in establishing himself as a leader of the Arab world. Additionally, he hoped that these efforts would give his nation prestige among Islamic and other Third World nations. In order to sell his intentions to his Arab neighbors, Qadhafi used Israel for his rationale. He explained that the Arab world needed a nuclear capability to match that possessed by the Israelis.

Libya’s motivations for possessing WMD are a very important piece of understanding why the nation decided to abandon its programs. In other words, different instruments of U.S. national power targeted these motivations in specific ways.

2. What Was the Nature of the Libyan WMD Program?

Due to lack of indigenous capability, the Libyans relied heavily on outside sources to build their WMD programs. Cirincione writes, “[Libya’s] substantial oil wealth enable[d] it to buy the technology it need[ed] rather than developing its own. Its nuclear, chemical, and biological weapon programs [were] heavily dependent on foreign technology and expertise.”¹¹ Still, Libya did achieve some substantial WMD accomplishments. Arguably, the most successful of Libya’s WMD programs was its chemical weapons capability. Indeed, the majority of Western intelligence successes prior to 2003 centered on exposing Libyan efforts in chemical weapon production. In 1988, the United States publicly released the existence of the Rabta chemical production

¹⁰ Joseph Cirincione, Jon B. Wolfsthal, and Miriam Rajkumar, *Deadly Arsenals*, (Washington D.C.: Carnegie Endowment for International Peace, 2002), 305.

¹¹ Cirincione, Wolfsthal, and Rajkumar, *Deadly Arsenals*, 305.

facility.¹² International pressure forced the country to move production and storage to the larger and better camouflaged facility at Tarhunah. This facility was exposed by the British in 1994 and former CIA director John Deutch called it, “the world’s largest chemical weapons plant.”¹³ After, Libya’s 2003 policy shift, U.S. and British inspections catalogued the true capabilities of the program. The Rabta and Tarhunah facilities contained 23 tons of mustard gas, several thousand unfilled weapons, and sophisticated equipment with the capability to manufacture mustard gas as well as Sarin and Tabun.¹⁴ While this was a scary and substantial amount of chemicals, it represented a more modest program than some states, such as the Soviet Union, had achieved. Lack of a more robust capability was most likely due to a lack of necessary precursor substances and technological know-how.

The West knew less about Libya’s nuclear program than its chemical program prior to 2003. A 1999 report from the CIA noted that, “Libya would need ‘significant foreign assistance’ to develop nuclear weapons.”¹⁵ The existence of a 10 megawatt research reactor built by the Russians in Tarjoura was well-documented. Also, Libya openly tried to purchase nuclear weapons from China.¹⁶ However, estimates placed Libya as far from achieving a nuclear capability. Post-2003 knowledge of Qadhafi’s nuclear aspirations was more alarming. Indeed, some senior officials in the Bush administration were openly surprised. “On the nuclear side...my understanding is that they did have a much further advanced program, including centrifuges,” noted an administration member.¹⁷ The program cited by the official included all the necessary components for enriching uranium and producing a weapon. Documents and inspections of Libyan sites found P-1 and P-2 centrifuges, enrichment cascades, uranium

¹² http://www.nbcdefence.net/nore/me_nal.htm, February 2005.

¹³ Joshua Sinai, “Libya’s Pursuit of Weapons of Mass Destruction,” *The Nonproliferation Review* 4, no. 3 (spring/summer 1997), 95.

¹⁴ Squassoni and Feikert, “Disarming Libya: Weapons of Mass Destruction,” 4.

¹⁵ Central Intelligence Agency, *Unclassified Report to Congress on the Acquisition of Technology and Advanced Conventional Munitions, 1 July through 31 December 2000*, (Washington D.C.: U.S. GPO, 2000). 4.

¹⁶ Sinai, “Libya’s Pursuit of Weapons of Mass Destruction,” 98.

¹⁷ CNN Website, “Bush official: Libya’s nuclear program a surprise,” <http://www.cnn.com/2003/WORLD/africa/12/19/libya.nuclear>.

hexafluoride, and even blueprints for an early Chinese nuclear warhead.¹⁸ However, Libya still lacked the technical expertise to produce the weapons. Even so, some estimates had the country producing a working design in 3-7 years.¹⁹ While this projection might have been optimistic, the ability of Libya to be that far ahead in the program was both surprising and disconcerting.

Knowledge from both before and after the 2003 policy reversal shows that the Libyan biological weapons program was still in very early stages. Libyan revelations and Western inspections confirmed that the country had made no real progress in this area. Equipment at its chemical weapons facilities could be used to produce these types of agents, but there was a severe lack of technological know-how. Some reports note that Qadhafi tried unsuccessfully to recruit South African scientists to help with the program.²⁰ However basic the biological program was, it is nonetheless important to highlight that until 2003, the Libyans were engaged in obtaining the capability.

In summary, at the time of its WMD renunciation, Libya had managed to assemble a considerable amount of WMD knowledge, equipment and some capability. It is fair to assume that given a strong enough desire, Qadhafi would have eventually been able to stockpile some substantial WMD. This may have come with substantial diplomatic, economic or political costs, yet it was still achievable. It therefore becomes necessary to explore the major reasons why Qadhafi gave up on 30 years of focused effort.

D. THE CAUSAL DEBATE

Why did Libya give up its WMD pursuit? Debate over this question is both heated and varied. It is a safe bet to say that almost no one thinks that Qadhafi saw the error in his ways and suddenly desired to become a benevolent leader. Instead, there are four possible answers. First, evidence can be presented to show that internal politics and lack of WMD successes caused Qadhafi to abandon his quest. Second, many stress that years of economic sanctions finally forced Qadhafi to give up WMD and terrorism in order to ensure the fiscal viability of the country. The toll of these sanctions combined

¹⁸ Squassoni and Feikert, "Disarming Libya: Weapons of Mass Destruction," 3.

¹⁹ Director, International Atomic Energy Agency.

²⁰ Sinai, "Libya's Pursuit of Weapons of Mass Destruction," 96.

with positive inducements like reintegration into the global arena after years of isolation was enough to sway the Libyan cost-benefit analysis. Third, some point to Western intelligence and interdiction successes as the key to breaking the back of Libyan WMD efforts. Finally, it can be argued that Qadhafi saw the invasion of Iraq and the removal of Saddam Hussein as a foreshadowing of his own downfall. In other words, the United States used coercive diplomacy to compel Libya to give up its terrorist and WMD pursuits. All of these arguments are at the very least intriguing. Most of them have at a minimum some credible evidence to support them. However, as was stated before, the goal of this research is to identify which of these factors, or which combination of them, contributed significantly to Libya's renunciation.

1. Internal Politics and Poor Success Rate: The Dam Bursts

Did Libya give up its WMD program due to internal pressures and lack of real progress? To answer this question, one must look at the domestic political situation of the country. Within Libya, there are some Islamic groups which seriously oppose the rule of Qadhafi. Christopher Boucek observes that, "[These groups] have drawn the attention of some observers in part due to their ability to tap existing centers of discontent within Libyan society."²¹ By this line of reasoning, Qadhafi gave up his WMD to concentrate on consolidating power within the country. It follows that he saw the spending on these programs as wasteful and potentially destabilizing from within. His goal of using WMD to become a regional power was not achievable and so he needed to use the resources to put down his opposition.

The domestic argument does not stand out as significant for a few reasons. First, Boucek notes that, "Most opponents inside Libya and abroad have been successfully silenced."²² In essence, Qadhafi's regime has been so repressive that there were no credible domestic threats to his power. Second, the people of Libya probably would not tolerate an oppressive Islamic regime. This type of government would, "likely run against the fabric of Libyan society; over 30 years of a repressive regime have exhausted much of the public."²³ In other words, the Libyan people would not swap one overbearing regime for another. Additionally, it is somewhat of tautological argument. It

²¹ Christopher Boucek, "Libya's Return to the Fold?" *Strategic Insights* 3, no. 3 (Mar 2004).

²² Ibid.

²³ Ibid.

is nearly impossible to show that Qadhafi's poor domestic economic decisions would have alone resulted in such dissatisfaction. More likely, it was sanctions that stressed the economy to begin with. Finally, the evidence suggesting that Libya realized its WMD programs would never work is fairly weak. Up to the point that Libya received assurances of sanction reductions in return for giving up its WMD, it continued to work on its programs. Thus, I consider domestic factors as intervening variables brought about by the following external factors.

2. Sanctions and Inducements: The Reservoir Dries Up

A popular and plausible explanation is that diplomatic isolation and economic sanctions factored significantly in the cost-benefit calculations of Muammar al-Qadhafi and his regime. Following this line of reasoning, Mr. Qadhafi realized that the benefits of procuring WMD were dwarfed by the costs of both political and economic isolation. It is easy to speculate that these costs were either significant or sufficient to change Libya's behavior, but a detailed analysis of the situation is the only way to tell. It is also necessary so that policy-makers can draw on the general conclusions reached in the Libyan case. For instance, there is robust scholarly debate on just which types of economic and diplomatic pressures most influenced the Libyans. Was it the unilateral sanctions and hard-line rhetoric of the United States begun under Ronald Reagan in the mid-1980s? Patrick Clawson, in a speech to the House Committee on International Relations, stated, "If indeed Libya shows that sanctions work, it shows that unilateral U.S. sanctions work."²⁴ Perhaps it was the UN sanctions and diplomacy that proved to be the most effective. "One of the most important conclusions of the sanctions literature to date is the now widely accepted finding that sanctions are most likely to work when they are multilateral," notes Meghan O'Sullivan.²⁵ Quite possibly, both unilateral U.S. actions and those that were multilateral in nature contributed significantly to Libya's decisions.

Much of the debate concerning the reasons behind the change in Libya's behavior centers on sanctions. However, another economic and diplomatic dynamic was at work in the Libyan case. The use of positive inducements to spur a change in Libya's behavior

²⁴ Patrick Clawson, "Libya's WMD Renunciation: How to Consolidate and Replicate," Statement to House Committee on International Relations, 10 March 2004, 3.

²⁵ Meghan O'Sullivan, *Shrewd Sanctions: Statecraft and State Sponsors of Terrorism*, (Washington D.C.: Brookings Institution Press, 2003), 4.

also deserves attention. Richard Haass notes, “Certainly, engagement does not preclude the simultaneous use of other foreign policy instruments...In practice, there is often considerable overlap of strategies, particularly when the termination or lifting of sanctions is used as a positive inducement.”²⁶ Perhaps the termination of the sanction regimes of the United States and the UN were a strong enough inducement to sway Qadhafi’s cost-benefit analysis. This argument has substantial evidence to support it and thus merits an in-depth analysis.

3. Intelligence: Everyone Knows the Water is Contaminated

There are those who argue that Western intelligence and interdiction successes were instrumental in forcing Libya to change its WMD policy. Former Central Intelligence Agency (CIA) Director George Tenet observed recently that, “The leverage was intelligence. Our picture of Libya’s WMD programs allowed CIA officers and their British colleagues to press the Libyans on the right questions, to expose inconsistencies, and to convince them that holding back was counterproductive. We repeatedly surprised them with the depth of our knowledge.”²⁷

This argument is plausible for several reasons. Intelligence successes first brought Libya’s chemical weapons exploits to the public’s attention. International pressure forced the Libyans to stop their work at one of their facilities and invest in another complex. Later, more pressure was exerted after this facility was discovered. Even more recently, successes of the Proliferation Security Initiative (PSI) have been highlighted as key to the Libyan case. In a White House press briefing, a senior administration official commented:

We’ve believed for some time it was an important victory for the Proliferation Security Initiative because the interdiction of the ship, the *BBC China*, which was carrying uranium centrifuge equipment to Libya, and was diverted to Italy, when that happened, we think that the government of Libya came to the realization that...there wasn’t any further point in trying to conceal [its nuclear weapons program].²⁸

²⁶ Richard Haass and Meghan O’Sullivan, *Honey and Vinegar*, (Washington D.C.: Brookings Institution Press, 2000), 2.

²⁷ George Tenet, “The Worldwide Threat 2004: Challenges in a Changing Global Context,” Testimony before the Senate Armed Services Committee, 9 March 2004, 7.

²⁸ White House press briefing, <http://www.whitehouse.gov/news/releases/2004/06/20040608-19.html>.

Indeed, the interdiction of the ship was a huge intelligence success. It gave the United States its first real glimpse into the true nature of the Libyan nuclear program. It also exposed Qadhafi to even more international pressure. Intelligence as a significant causal factor is also plausible and well-documented. It therefore warrants further scrutiny.

4. Coercive Diplomacy: We Are Going to Blow Up Your Dam

Certainly the most hotly contested explanation for Libya's policy shift is that of coercive diplomacy. In other words, fans of this reasoning contend that Qadhafi was coerced into giving up his WMD by viewing the fall of Saddam Hussein as a vision of the future if he continued to oppose the West. If one looks at the circumstantial evidence connected with the case, this becomes a plausible argument. The Libyans secretly approached the Americans and British in March of 2003. This just happened to be the same time as the U.S. led invasion of Iraq. Indeed, the administration of President George W. Bush was quick to attribute Libya's actions to its policy in Iraq. President Bush observed in his 2004 State of the Union address, "Nine months of intense negotiations succeeded with Libya while 12 years of diplomacy with Iraq did not...Words must be credible, and no one can now doubt the word of America."²⁹ The obvious meaning of the statement is that the threat of force was the main reason that Libya decided to give up its WMD aspirations. Journalists around the world were split on this issue. Most right-leaning publications attributed Libya's actions to the Iraq example. Most leftist media dismissed the argument as unrealistic.³⁰ Nominee to the job of United Nations Ambassador, John Bolton, does not mix words. "I believe the conclusion is obvious. As Col. Qadhafi himself put it, weapons of mass destruction now clearly 'represent a danger to the country which has them.'"³¹

Another aspect of this argument is that Qadhafi had already felt the sting of American firepower 17 years earlier. In 1986, U.S. fighters struck key terrorist targets

²⁹ Martin Indyk, "The Iraq War did not Force Qadhafi's Hand," *Financial Times*, 9 March 2004.

³⁰ <http://globalsecurity.org/wmd/library/news/libya/www31225.htm> This website lists several dozen summaries from major periodicals around the world in reaction to the causes of the Libyan policy change. Nearly every right-leaning journal attributes the change to the example of Iraq. Even the French!

³¹ John Bolton (As Under Secretary of State for Arms Control and International Security) presented this viewpoint in his testimony to the House International Relations Committee in March, 2004.

within Libya. Qadhafi, himself, narrowly escaped death.³² Having personally been a target of American firepower, it is logical to assume that he would take any threats against so-called “rogue” states very seriously. Thus, the Iraq example and real-life experience may have significantly influenced Qadhafi’s decision to abandon WMD. However, the close link in timing between Operation Iraqi Freedom (OIF) and the Libyan WMD pledge could be a coincidence. Furthermore, Qadhafi did not change his policies much after the Libyan raid. Yet, coercive diplomacy as a causal factor merits detailed analysis purely for the fact that it has so much support from high-level policy-makers.

E. METHODOLOGY, ROADMAP, AND SOURCES

1. Methodology

This thesis is a detailed analysis of a single case study. It views the case through different perceptual lenses. By analyzing the Libyan case through differing and sometimes conflicting perspectives, one can draw reasonable general conclusions about the true nature of this historic situation.

2. Roadmap

Chapter II focuses on the following question. Were the costs of procuring and maintaining WMD too high for Libya? This chapter focuses on the effects of diplomatic pressure and economic sanctions on influencing Libya’s decision. The chapter will start with a historical summary of the diplomatic and economic actions taken against Libya. It then analyzes the effects of these actions using a blending of common theory on the subject, and reports on the Libyan economy and diplomatic isolation. More specifically, it identifies which actions were effective and those that were not. The chapter concludes with summarizing the success of these factors and whether or not they actually raised the price of WMD to a point that outweighed the benefits gained from it. Analysis of sanctions and positive inducements in this chapter will use and review the current literature on the subject by Meghan O’Sullivan, Richard Haass and the comprehensive research and findings of Gary Hufbauer, Jeffrey Schott and Kimberly Elliot.

Chapter III examines whether Libya felt that it could not get away with WMD procurement. This chapter addresses the significance of U.S. and Western intelligence successes and how they may have contributed to Libya’s decision because the country

³² Walter Boyne, “El Dorado Canyon,” *Air Force Magazine* 82, no. 3 (March 1999).

believed that it would not be able to hide its intentions. It begins by discussing the successes of Western intelligence in Libya. These include uncovering weapons production facilities, intercepting medium range ballistic missile shipments and stopping the import of nuclear related materials.

Chapter IV examines whether the threat of military force compelled Libya to acquiesce on WMD. This chapter measures the effects of coercive diplomacy on altering Libya's behavior. The argument is that threats of becoming like Iraq prompted Libya to give up WMD. This chapter summarizes military action, both directly taken and threatened towards Libya. It then measures their effectiveness based on how the Libyans reacted to them. This chapter reviews and uses the theoretical literature and findings of Alexander George, Robert Art and Patrick Cronin in the field of coercive diplomacy.

Chapter V is the conclusion. It answers the original research question based on the sub-conclusions reached in each of the previous chapters. Briefly, I find that sanctions and diplomacy as well as great intelligence work were significant in persuading Qadhafi to give up his WMD programs. Furthermore, U.S. coercive diplomacy efforts, while having some effect, were not significant. After presenting these findings, I discuss important policy and theoretical implications which result from the Libyan case. Policy-related implications include the applicability of the lessons-learned from this study to other rogue nations like Iran and North Korea as well as nations considering proliferation. Additionally, I highlight areas of research which require greater scrutiny from international relations scholars.

3. Sources

In addition to reviewing primary and secondary literature as sources, I incorporate data and discussion from congressional records, UN resolutions, and government speeches as sources.

F. FINDINGS

1. Finding 1: Sanctions and diplomacy were significant in Libya's WMD renunciation

Twenty five years of comprehensive unilateral and multilateral sanctions severely hampered the Libyan economy. Although the demand to give up WMD was not specified in sanctions until 1996, it is impossible to separate those targeting terrorism and

those which included WMD. Each round of sanctions progressively hurt the Libyan economy more and more. Once UN sanctions were suspended in 1999, the economy and oil infrastructure were in such a state of disrepair, that the remaining unilateral sanctions carried considerable weight. U.S. engagement of Libya took advantage of the punishment of sanctions and offered Qadhafi a return to the international community and a way to reinforce his authoritative grip on his country.

2. Finding 2: Intelligence work was significant in persuading Libya to renounce its WMD

The combination of both the moderate effectiveness of intelligence work in the 1980s and 1990s and the high effectiveness of recent Western counter-proliferation efforts rooted in intelligence leads me to conclude that intelligence was significant in persuading Libya to renounce its WMD programs. The Western intelligence community formulated an accurate assessment of Libyan actions and programs. Quality intelligence products moved other nations to join the United States in punishing Libyan terrorism and proliferation by consistently highlighting Qadhafi's transgressions. Finally, intelligence actions allowed the United States to be proactive in ultimately halting the Libyan nuclear program.

3. Finding 3: Coercive diplomacy was not significant in Libya's decision to renounce WMD

The relationship between U.S. coercive diplomacy attempts towards Libya and its decision to give up WMD is slightly effective at best. During the 1980s, U.S. coercive diplomacy efforts aimed to end Libyan support of terrorism. While they did not stop terrorism, they showed Qadhafi that the U.S. was willing to use some military force to counter wayward Libyan foreign policy. In the 1990s, U.S. coercive diplomacy attempts did nothing to influence Qadhafi. Their haphazard and random application showed a lack of both will and capability. Essentially, these efforts lacked the necessary credibility. The coercive diplomacy attempts of the current administration did not apply directly to Libya. For lack of a better term, I call these efforts *blanket coercive diplomacy*. While they may have factored in to Libya's cost/benefit analysis, they were far from decisive. Thus, the cumulative effects of coercive diplomacy targeting Qadhafi and Libya were not significant.

4. Finding 4: Sanctions and diplomacy as well as good intelligence work were the major significant external factors in Libya's renunciation of WMD

Twenty-five years of comprehensive unilateral and multilateral sanctions and diplomatic isolation severely degraded the internal and international reputation of Qadhafi's regime. Their continuous application weakened Qadhafi and, in time, created the conditions which were necessary for Libya to acquiesce on its plans to continue to develop WMD. Once these conditions developed, U.S. engagement and intelligence work were able to exploit the internal situation in Libya. The use of positive inducements showed Qadhafi that he could stay in power and better his country if he abandoned WMD. Counter-proliferation efforts by Western intelligence agencies proved to Libya that it would not be allowed to continue with WMD proliferation. The combination of these factors sufficiently persuaded Qadhafi that it was more beneficial and less costly to rejoin the international community and bring in much needed foreign investment rather than pursue WMD.

5. Policy and Theoretical Implications

Chapter V presents a detailed discussion of lessons-learned the policymakers should take away from the Libyan case. Additionally, two suggestions are presented for future theoretical study and research. The thesis now turns to a review and evaluation of sanctions applied against Libya.

II. POLITICS AND MONEY: WERE THE COSTS OF PROCURING WEAPONS OF MASS DESTRUCTION TOO HIGH FOR LIBYA?

A. INTRODUCTION

This chapter seeks to document the significance of economic sanctions and positive inducements in motivating Libya to give up its WMD programs. I begin with a brief history of sanctions levied against the North African state as well as positive incentives presented to the regime. Next, I analyze the effects of diplomatic and economic pressure as well as engagement on influencing Libya's cost-benefit analysis in favor of American and international opinion. I use the most current theoretical studies on sanctions and engagement to facilitate this analysis. Finally, I assess the explanatory significance of sanctions and engagement in influencing Qadhafi's decision to abandon WMD.

This chapter finds that diplomacy, sanctions and engagement heavily influenced Qadhafi's cost/benefit analysis. Years of comprehensive sanctions hobbled the Libyan economy while international diplomatic pressure politically isolated Qadhafi. These punitive measures created the necessary conditions for the West to offer incentives in the form of renewed relations and suspension of economic blockades that significantly persuaded Qadhafi to abandon his proliferation efforts.

B. A BRIEF HISTORY OF SANCTIONS

At the time of Libya's historic announcement in December 2003, the United States had levied over 20 different types of sanctions against the African state. The punitive measures included bans on the transfer of weapons and chemicals, supporting organizations that could benefit Libya, importing Libyan oil products, exporting oil related equipment, partaking in trade, loans and other transactions and dealing with U.S. based Libyan assets.³³ Additionally, two different regimes of UN-sponsored sanctions denied air travel in and out of Libya, banned the sales of aircraft and related parts, prohibited the sales of military items and the sharing of military expertise, froze Libyan assets, and banned the sale of oil-related equipment. The following paragraphs detail the

³³ Clyde R. Mark, "Libya," *CRS Issue Brief IB93109*, 17 March 2005, 5.

timeline and scope of the specific diplomatic and economic measures carried out against Libya.

U.S. relations with Libya soured almost immediately after the 1969 military coup that brought Colonel Qadhafi to power. However, it was not until the beginning of the 1980s that relations between the two nations completely broke down. Initial moves against Libya contained both diplomatic and economic elements. On 29 December 1979, the United States labeled Libya as a state sponsor of terror. This designation commands four different types of mandatory sanctions. These sanctions include restrictions on U.S. foreign assistance, a ban on the sale and export of defense related items, strict limitations on dual-use items, and opposition to loans and aid from international financial institutions.³⁴ Within a few months, the American Embassy in Tripoli closed after a mob surrounded and burned it. Interestingly enough, the U.S. Ambassador had been permanently withdrawn from Libya since 1973. The following year, the United States shut down the Libyan Embassy in Washington, D.C. as a result of suspected terrorist activities within U.S. borders. In the same year, President Reagan invalidated the use of U.S. passports for travel to Libya.³⁵

Beginning in 1982, predominantly diplomatic pressure turned to economic pressure. After increasing tension over Libya's rising support of terrorism, Reagan banned the import of Libyan crude oil and the export of oil and refinery equipment. Additional pressure came in 1985 when Reagan added refined petroleum products to the import ban.³⁶ After terrorist attacks in two European airports were linked to Qadhafi's regime, Reagan again resorted to economic punitive measures. This time the sanctions were much broader in scope. The Reagan Administration blocked all imports and exports with Libya and suspended the commercial contracts of American oil companies. Furthermore, Libyan government assets in the United States were frozen.³⁷ The final

³⁴ U.S. Department of State, "State Sponsors of Terrorism," <http://www.state.gov/s/ct/c14151.htm>, August 2005.

³⁵ Mark, "Libya," 7.

³⁶ Meghan L. O'Sullivan, *Shrewd Sanctions: Statecraft and State Sponsors of Terrorism*, (Washington D.C.: Brookings Institution Press, 2003), 178.

³⁷ British Broadcasting Corporation, <http://newsvote.bbc.co.uk/mpapps/pagetools/print/news.bbc.co.uk/1/hi/world/africa/3336/>, March 2005. Sanction timeline and specifics were found on a BBC website linked with stories about Libya's announcement.

U.S. sanctions levied against Libya came in 1996 in the form of the Iran and Libya Sanctions Act (ILSA), or House Resolution 3107. These so-called sanctions were unique and controversial because they targeted third parties that invested in Libya's oil industry, military or aviation capabilities. The sanctions even gave discretionary power to enforce these sanctions against companies or persons who might not be directly linked with the infraction.³⁸ The purpose of these sanctions was to create more competitive conditions for U.S. firms with foreign companies heavily involved in Libya. In 2001, Congress extended the ILSA as it was due to expire. The terms in the original act remained with the exception of one change. The threshold for triggering automatic secondary sanctions lowered from 40 million dollars to 20 million dollars.³⁹

The list of multilateral sanctions is much shorter. The first comprehensive effort for international pressure against Libya came from the G7 summit in 1986. Here, leaders issued a joint declaration pledging stepped-up efforts against terrorism with particular emphasis on Libya.⁴⁰ The first round of UN sanctions came after the indictments of Libyan terrorists in the Pan Am and UTA bombings. UN Resolution 748 in 1992 doled out the first multilateral sanctions against Libya. This resolution prohibited Libyan commercial air traffic, banned the sale of aircraft components and maintenance services, and barred the sale of military equipment and associated training.⁴¹ In the face of continued Libyan resistance, the UN passed Resolution 883 in 1993. This resolution added to the previous UN sanctions by freezing Libyan assets not associated with petroleum sales, banning the sale of oil equipment that could be used to expand and upgrade Libya's existing infrastructure, and tightening the aircraft sanctions by targeting the Libyan national airline, Libyan Arab Airlines.⁴²

C. ANALYSIS OF SANCTIONS

The sanctions and actions listed above, both unilateral and multilateral, were quite extensive in nature, and they remained in effect with only minor modifications during

³⁸ United States House of Representatives, *H.R. 3107: Iran and Libya Sanctions Act of 1996*, 104th Cong., 2nd Sess., 1996, 3-5; Hereafter referred to as ILSA.

³⁹ United States House of Representatives, *H.R. 1954: ILSA Extension Act of 2001*, 107th Cong., 1st Sess., 2002, 1. Hereafter referred to as ILSA Extension.

⁴⁰ O'Sullivan, *Shrewd Sanctions*, 178.

⁴¹ United Nations Security Council, "UN Resolution 748," *Security Council Resolutions – 1992*, 1992, 53.

⁴² United Nations Security Council, "UN Resolution 883," *Security Council Resolutions – 1993*, 1993, 114.

Libya's 25 years of political and diplomatic isolation. In order to assess their effectiveness, I use a framework developed in recent literature. I then analyze Libyan differentiating them by type and time period.

1. Method of Analysis

There has been much literature on whether or not sanctions work. Hufbauer, Schott and Elliot conclude that sanctions were effective in one third of the many different cases they studied.⁴³ The problem with this literature is that it does not predict which types of sanctions may be successful or under what conditions sanctions will not achieve their goals. Meghan O'Sullivan's recent work offers useful tools and methodology to analyze the power and effectiveness of different types of sanctions. Additionally, her text contains an in depth look at the Libyan case prior to the 2003 announcement. By incorporating her framework and insight on the Libyan case with other research and perspectives, it is possible to answer the question posed at the beginning of this chapter.

In order to evaluate the success or failure of case specific sanctions, O'Sullivan uses four criteria: impact, effectiveness, utility and comparative utility.⁴⁴ Impact is "the sheer economic or political damage sanctions inflict on the target."⁴⁵ For example, certain sanctions may result in total or partial collapse of a particular industry within the target nation. Impact, however, does not measure if that collapse helped achieve the goals of the sanctions. Effectiveness is defined as "the extent to which the sanctions achieve their goals."⁴⁶ A hypothetical example of this would be a sanction on weapons-related sales to convince a state to stop intervening in the affairs of its neighbor. If the lack of weapons made that state leave its neighbor alone, then it would be effective. Utility is "the extent to which sanctions achieve their goals, minus the costs incurred in the process."⁴⁷ For example, President Carter initiated a grain embargo against the Soviet Union to punish it for the invasion of Afghanistan. However, this grain embargo hurt American farmers so badly that Reagan lifted the sanctions when he took office. The cost of sanctions outweighed the benefits. Therefore, these sanctions had negative utility.

⁴³ Gary Hufbauer, Jeffrey Schott, and Kimberly Elliot, *Economic Sanctions Reconsidered*, (Washington D.C.: Institute for International Economics, 1990), 54.

⁴⁴ O'Sullivan, *Shrewd Sanctions*, 29.

⁴⁵ *Ibid.*, 29.

⁴⁶ *Ibid.*, 29.

⁴⁷ *Ibid.*, 29.

Finally, comparative utility is defined as “how the utility of sanctions compares with that of other policy options; whether sanctions were the best choice open to policymakers at the time.”⁴⁸ In other words, there could be times when using a series of air strikes on a target country may have higher utility than that of sanctions, even when the sanctions have positive utility. Comparative utility is the most difficult to measure because it requires counterfactual analysis. However, in cases like Libya where multiple influence strategies were in effect simultaneously, comparative utility is easier to measure. Each of these four criteria is an important tool in the analysis of the Libyan case.

2. Sanctions and Libyan WMD

Did economic sanctions significantly influence Libya’s decision to give up WMD? The impact of sanctions on Libya is important only in how it aids or hinders the effectiveness of the sanctions. Utility and comparative utility are not as important in answering if sanctions were significant. They are important when thinking about whether sanctions are in the sending country’s interest. The focus here is on the target, however, and impact and effectiveness are the criteria which relate to the influence of sanctions on Libya’s cost-benefit analysis. Utility and comparative utility factor into the cost-benefit analysis of the United States. Therefore, I analyze the effectiveness of the different sanctions vis-à-vis WMD to determine their significance. I then measure the utility of these sanctions. Comparative utility is measured in Chapter V.

To understand the effectiveness of sanctions in the Libyan calculus, one must look at their impact on the target country in relation to their goals. Of the several different sanctions catalogued in earlier paragraphs, only two sanction regimes had the explicit goals of forcing Libya to abandon its WMD programs. They are the ILSA and the ILSA Extension Act of 2001. In reality, the ILSA Extension Act only lengthened the time period and refined the threshold for applying the measures contained in the original ILSA. The three stated goals of the ILSA were to, “seek full compliance by Libya with its obligations under Resolutions 731, 748, and 883 of the Security Council of the United Nations, including ending all support for acts of international terrorism and efforts to develop or acquire weapons of mass destruction.”⁴⁹ In theory, none of the other sanctions

⁴⁸ O’Sullivan, *Shrewd Sanctions*, 29.

⁴⁹ ILSA, Sec. 3, 2.

mattered because their goals did not encompass the subject of WMD. For instance, UN Resolution 731 had the explicit goals of, “eliminating international terrorism [and compelling] the Libyan government to cooperate fully in establishing responsibility for the terrorist acts against Pan Am flight 103 and UTA flight 772.”⁵⁰ The subsequent UN resolutions discussed previously spelled out the sanctions mandated to achieve these goals. The unilateral sanctions of the United States in the 1980s also did not target WMD. These too, were concerned with Libyan support of terrorism and antagonistic acts against the United States. One can then ask if the ILSA of 1996 and its follow-on extension of 2001 are the only relevant sanctions worth analyzing vis-à-vis Libyan WMD.

O’Sullivan observes that there are a, “broad range of goals—explicit and implicit, primary and auxiliary, initial and subsequent—embraced by various advocates and crafters of sanctions over time.”⁵¹ If the ILSA and the Libyan state at the time of these sanctions existed in a vacuum, then the answer to the question posed above would be yes. However, the ILSA came into effect with all of the other sanctions mentioned above in full force. There is no practical way to separate them all. Had the Libyans not renounced their WMD programs after the suspension and ultimate termination of the UN sanctions, then the answer would also be more clear-cut. This, however, was not the case. In reality, the sanctions mandated by the ILSA piggy-backed on those levied before, both unilateral and multilateral. The impact of earlier sanctions was most likely compounded by those that followed. Libya did not care about the goals and senders of the different sanctions so much as the effects that these sanctions had on their cost-benefit calculations. It is therefore necessary to measure the impact and effectiveness of all of the sanctions to answer this chapter’s guiding question.

Sanctions do not simply impact the economic situation of the target nation. Sanctions can also have political and psychological impact as well.⁵² As was stated earlier, impact does not translate in a linear fashion into effectiveness. Sanctions that have only moderate impact may well be enough to accomplish the goals of the nations

⁵⁰ United Nations Security Council, “UN Resolution 731,” *Security Council Resolutions – 1992*, 1992, 51-2.

⁵¹ O’Sullivan, *Shrewd Sanctions*, 31.

⁵² *Ibid.*, 28.

using them. It is the accomplishment of goals that signifies effectiveness, and ultimately, success.

It is beyond the scope of this chapter to analyze the impact and effectiveness of each of the many sanctions placed on Libya. It is more helpful to analyze the sanctions by historical period. Coincidentally, this conveniently divides them into groupings of either unilateral or multilateral. The three phases of sanctions in the Libyan case were U.S. sanctions in the 1980s, UN sanctions of the early 1990s, and the ILSA of 1996 and its 2001 extension. Sanctions in the 1980s and those associated with the ILSA and its extension are typified as unilateral. UN sponsored sanctions qualify as multilateral.

3. Reagan-era Sanctions

The Reagan-era unilateral sanctions of the 1980s started out gradually and soon escalated to a complete embargo. It is only recently that the majority of them have been lifted.⁵³ At face value, it seems that nearly 25 years of economic pressure to produce results was anything but effective. However, sanctions take time. Richard Haass writes, “Sanctions are unlikely to achieve desired results if the aims are large or the time is short.”⁵⁴ The U.S. unilateral sanctions of the 1980s had three important goals. The U.S. wanted to punish Libya for sponsoring terrorism but lacked quality military options. The two remaining goals included building support for multilateral sanctions, and bolstering credibility for a military option in the event that sanctions failed to change Libyan behavior.⁵⁵ A major unpublished goal of the Reagan Administration was regime change.⁵⁶ However, history and Qadhafi’s proven ability to weather any storm shows that this goal was best left unstated. The impact of this period of sanctions was both economic and political. O’Sullivan finds that while the sanctions of this time period impacted the Libyan government economically, poor internal decision-making and a considerable dip in international oil prices probably contributed more to the North African country’s economic woes.⁵⁷ Additionally, several analysts maintain that the

⁵³ Mark, “Libya,” 6. President Bush dropped all sanctions except for those related to weapons on 20 September 2004.

⁵⁴ Richard Haass, *Economic Sanctions and American Diplomacy*, (Washington D.C.: Council on Foreign Relations, 1998), 197.

⁵⁵ O’Sullivan, *Shrewd Sanctions*, 181.

⁵⁶ *Ibid.*, 205.

⁵⁷ *Ibid.*, 188.

economic impact on the oil industry was relatively small. “U.S. sanctions did not impose serious losses on Libya’s oil industry,” notes O’Sullivan.⁵⁸ In the same paragraph, however, she does note that these sanctions made Libya vulnerable to international pressure on its energy sector. Overall, O’Sullivan and other scholars have been less than enthusiastic about the economic impact of this period of sanctions. However, the intangible economic effects of these sanctions cannot be neatly charted but are just as valuable when analyzing this round of sanctions. The majority of Libyan oil fields and production facilities were originally built by American companies. The chairman of the state-run Libyan National Oil Corporation observed recently, “Oil started here with the Americans. They trained us.”⁵⁹ While the impact on the Libyan economy as whole may fall in line with O’Sullivan and other’s analysis, the majority of the Libyan oil infrastructure remained dependent on U.S. technologies and expertise to remain functioning. The costs associated with the denial of this technology and expertise would continue to mount over 25 years.

4. UN-Sponsored Sanctions

After international authorities established the link between Libya and the perpetrators of the Pan Am and UTA bombings, multilateral sanctions in the form of UN resolutions soon followed. The goals of these were discussed previously, but aside from the very specific goal of cooperating in the criminal trials, Libya was told to end its support of international terrorism. O’Sullivan considers these to have had the most economic impact of all of the sanctions. Her research points to the crippling of the Libyan airline industry and the greatly reduced ability to refine crude oil products. As with the unilateral sanctions of the 1980s, she finds that the economic impact of the multilateral ones may still have been secondary to the continued internal mismanagement of the economy and plummeting oil prices.⁶⁰ The UN-sponsored sanctions impacted the Libyan economy more than the U.S. sanctions of the 1980s. However, it is not possible to calculate if the impact of multilateral sanctions would be as great if the U.S. sanctions had not already existed. In fact, UN sanctions only further squeezed the chokepoints

⁵⁸ O’Sullivan, *Shrewd Sanctions*, 195

⁵⁹ Vivienne Walt, “Libya’s New Face: GADDAFI’S SON IS OPENING HIS ISOLATED COUNTRY TO BUSINESS—AND BIG OIL IS LOOKING FOR DEALS,” *Time International* 165, no. 2 (January 2005), 38.

⁶⁰ O’Sullivan, *Shrewd Sanctions*, 197.

already targeted by U.S. ones. It is therefore difficult to say that the UN sanctions had more impact than the Reagan-era ones. The two sanctions regimes worked in concert with one another. What is most important, is that the additional lack of technological parts and expertise continued to degrade the Libyan oil production capability and disrupt its economic infrastructure.

5. ILSA

The goals of ILSA included those of the previous periods, but added the need to give up the pursuit of WMD. O’Sullivan is most skeptical of these sanctions. According to the data, the ILSA did not significantly impact the investment pattern occurring in Libya. While this may be true, it did allow the United States to go after the assets of foreign companies doing business with Libya. This strategy most certainly involved political costs, but it also served to further deter foreign investment in the country. Again, the ILSA sanctions seem to have had an intangible effect on the Libyan case. O’Malley correctly notes that after the suspension of UN sanctions in 1999, the Libyan economy improved dramatically.⁶¹ However, even with the majority of the world free to invest in Libya, its oil production stayed at the same levels through 2003 (See Figure 1).

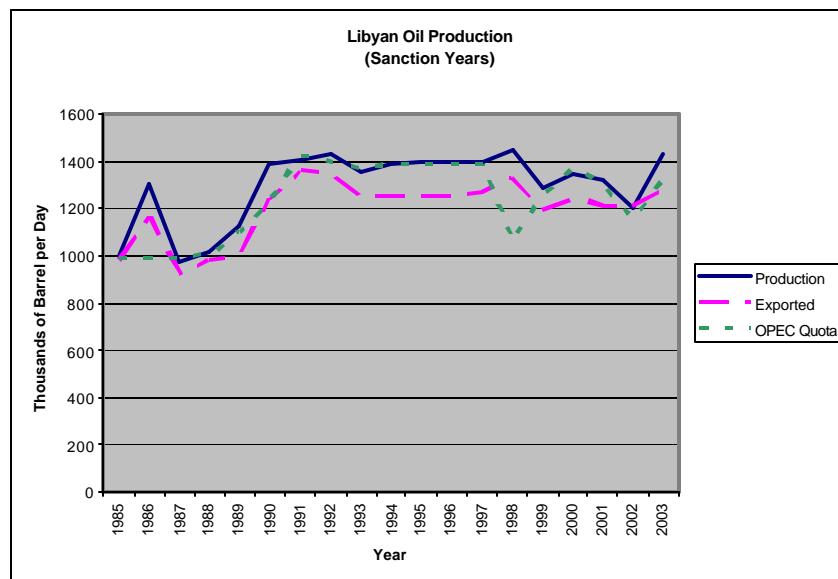


Figure 1. Libyan Oil Production⁶²

⁶¹ O’Sullivan, *Shrewd Sanctions*, 203.

⁶² Organization of the Petroleum Exporting Countries, “Interactive Annual Statistical Bulletin 2003,” <http://www.opec.org/library/Annual%20Statistical%20Bulletin/interactive/2003/FileZ/Main.htm>, August 2005.

Other dynamics figured into the equation. Specifically, the Libyans needed American expertise to boost their production. Even with Europeans free to invest in the country, oil capacity remained at UN-sponsored sanctions levels. Some point out that Libya did not produce more oil because it wanted to preserve resources and was capped, at least in theory, by OPEC quotas. However, OPEC bases its quotas on the known capacity of its producing countries. In other words, Libya did not curtail its production to meet OPEC quotas. On the contrary, it produced all the oil it could with its decaying and outdated technology. The Department of Energy (DOE) reports that Libya is pushing to boost oil production by half a million barrels/day in the next five years and doubling output in the next ten.⁶³ Thus, it appears that the ILSA sanctions and the Reagan-era ones that preceded them certainly impacted the Libyan regime. A Libyan oil supervisor noted recently, “Everyone’s waiting for the Americans to come back...a lot of infrastructure needs to be rebuilt...we’re frozen in the 1970s”⁶⁴

One more oil-related topic merits consideration when examining the impact of ILSA. Historically, American oil companies take smaller profit shares. Recently, 11 of 15 contracts awarded to international competitors to expand Libyan oil production went to American firms. Of the 15, none were awarded to European companies who had actually been in Libya even through the sanctions. Libyan officials awarded the contracts based on the attractive terms, working capital and less than 20 percent profit sharing associated with the American bids.⁶⁵ Thus, the lack of lucrative terms and American technology and expertise certainly impacted Libya.

6. Overall Economic Impact

In summary, 25 years of unilateral and multilateral sanctions measurably impacted the Libyan economy. The sanctions alone did not cause all of Libya’s economic woes. Certainly, fiscal abuses and fluctuating oil prices share much of the responsibility. However, overall economic impact was very real. Libya’s economy stagnated under sanctions when other OPEC countries experience growth. Figure 2 compares Libya with Saudi Arabia to illustrate this point. It would be premature to say

⁶³ Energy Information Administration, “Libya Country Analysis Brief,” <http://www.eia.doe.gov/emeu/cabs/libya.html>, August 2005.

⁶⁴ Walt, “Libya’s New Face,” 38.

⁶⁵ Eamonn Gearon, “Libya Ignores European Overtures,” *Middle East* 355, April 2005, 36.

that they were effective until one analyzes how the poor Libyan economy impacted Qadhafi and his regime.

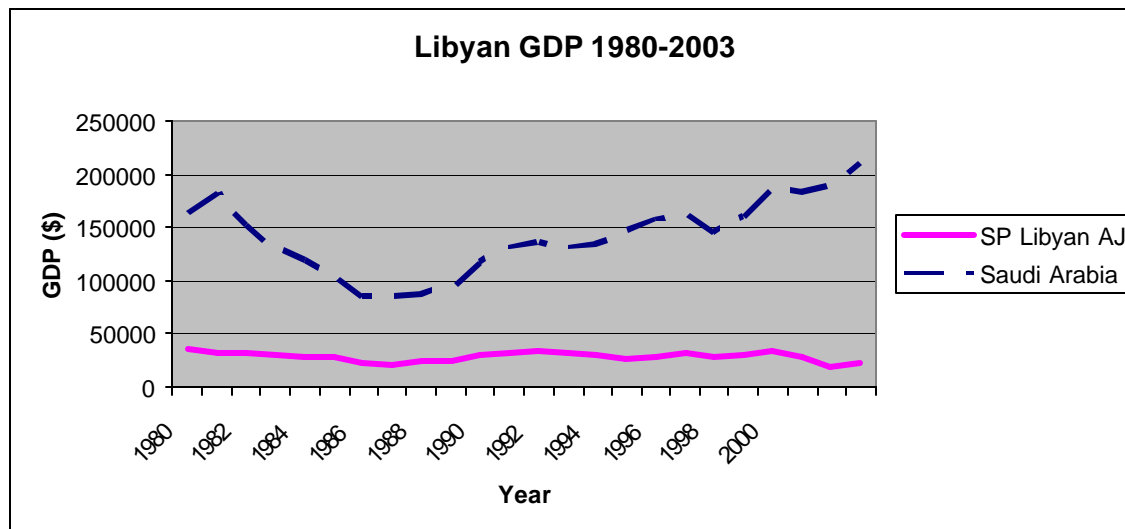


Figure 2. Libyan GDP (Sanction Years)⁶⁶

7. Political Impact

Politically, O’Sullivan notes the “impact of sanctions on Libya was considerable, particularly over the course of the 1990s once UN sanctions reinforced U.S. ones.”⁶⁷ The impact was great for two important but different reasons. Sanctions placed Qadhafi in a metaphorical vise. On one side, Qadhafi felt pressure from the international community. The longer the sanctions continued, the more politically isolated Qadhafi became from the world. Qadhafi’s attempts to become a regional leader among Arab states and later North African states failed. None of these regional players could afford to be seen as cooperating with Libya. To do so would have meant the loss of their international prestige and possible retribution from the United States and the UN. Thus, Qadhafi saw his dabbling with terrorism and WMD procurement backfire for his regional ambitions.

Mounting internal pressures squeezed the Qadhafi regime from the opposite direction. O’Sullivan observes that, “sanctions helped weaken an important pillar on

⁶⁶ Organization of the Petroleum Exporting Countries, “Interactive Annual Statistical Bulletin 2003,” <http://www.opec.org/library/Annual%20Statistical%20Bulletin/interactive/2003/FileZ/Main.htm> August 2005.

⁶⁷ O’Sullivan, *Shrewd Sanctions*, 203.

which Qadhafi's regime rested: economic well-being."⁶⁸ The implication here is that the sanctions began to create discontent within the Libyan population. As one analyst observes:

For 35 years Colonel Qadhafi has used oil to buy allegiance from Libyans. In exchange for their turning a blind eye to the lack of representative government and human rights abuses, Colonel Qadhafi is openhanded in distributing Libya's oil proceeds, sometimes as direct gifts to influential people and tribal leaders, but also in the form of state-financed health care, huge urban development projects and universal free education. But two decades of American and United Nations sanctions diminished Libyan oil revenues. The country's oil fields were declining, exploration was all but halted, and Libya was forbidden to import new oil extraction technology.⁶⁹

In addition to being unable to fund social projects, Libya experienced a huge population rise during the 1990s.⁷⁰ The economic sting from the loss of oil revenue was made worse by having many more mouths to feed. The economic impact of the sanctions worked with and sometimes created political impact on the Qadhafi regime. With the level of and types of impact defined, it is possible to evaluate the effectiveness of the Libyan sanctions.

D. HOW EFFECTIVE WERE THE SANCTIONS?

Previously, effectiveness was defined as the ability of sanctions to achieve their goals. For O'Sullivan, the multilateral sanctions of the UN were the most effective. She feels that they were the ones that achieved the narrowly stated goals of turning over the bombing suspects and ending support of terrorism. Indeed, O'Sullivan has a valid point. After the end of the process which convicted the terrorist, Ali al-Megrahi, in 2002, the UN sanctions were officially dropped. Libya fulfilled most of the compensatory obligations of the settlement and had previously renounced its support of terrorism.⁷¹ O'Sullivan views the Reagan-era sanctions as a necessary precursor to multilateral sanctions. Therefore, they too were moderately successful. Her view of the ILSA is different however. She sees the sanctions as the least effective. O'Sullivan is not alone. One of the most widely accepted findings among those who study sanctions is that those

⁶⁸ O'Sullivan, *Shrewd Sanctions*, 204.

⁶⁹ Geoff D. Porter, "The Faulty Premise of Pre-Emption [Op-Ed]," *New York Times*, 31 July 2004, A17.

⁷⁰ Ibid., A17.

⁷¹ Mark, "Libya," 5.

which are multilateral work better the unilateral ones. O'Sullivan published her text before Libya's December 2003 announcement, so her conclusions are based on a sanctions regime that still existed but had not achieved its goals.

The effectiveness of Libyan sanctions can be viewed in a slightly different light. That is, all of the sanctions contributed directly to Libya's decision to give up its WMD programs. This opinion is based on two factors. One is the cumulative impact of both the unilateral and multilateral sanctions. The other is the nature of the Libyan oil industry.

Twenty-five years ago, the sanctions initiated by the Reagan Administration began to change international perceptions about Libya and its leadership. As both unilateral and multilateral sanctions mounted and Qadhafi became more and more isolated in the world, he began to question his choice of policy decision. Obviously, the historical record shows that international terrorism was explicitly attacked. However, Libya's WMD policies suffered as well, even before the ILSA named abandonment of WMD as a stated goal. O'Sullivan notes that the combined military embargoes of the unilateral and multilateral regimes severely hampered the Libyan's ability to produce WMD.⁷² Arms imports that were not of the black market nature drastically fell over the lifespan of the sanctions. Additionally, the isolation of Qadhafi put too much pressure on him both internally and externally. Eventually, he had no choice but to address the demands of the U.S. and the international community. These impacts explain his abandonment of international terrorism and in some part his desertion of WMD. Although some might argue that U.S. unilateral sanctions no longer could be effective after the UN sanctions were suspended and later dropped, Qadhafi still needed the support of the United States to fully re-integrate into the international playing field. At a minimum, normal relations with the only superpower in the world should be seen as achieving substantial integration back into the mainstream world. Qadhafi had to comply with the demands of the U.S. unilateral sanctions to complete his transformation to a legitimate player in world politics and economy.

⁷² O'Sullivan, *Shrewd Sanctions*, 206.

The nature of the Libyan oil industry and the unilateral sanctions targeting them are also significant in Libya's renouncement of WMD. As was discussed previously, the Libyan oil industry both depended on and preferred American technology and expertise. Even with the dropping of multilateral sanctions, Qadhafi recognized that he could not build his economic and political power without the investment and expertise of U.S. firms. Through the terms of the sanctions he was in large part compelled to give up WMD in order to receive much needed and valued American investment.

In summary, both the unilateral and multilateral sanctions of the United States created the negative impact which eventually compelled Libya to give up its WMD. The political isolation and the stagnation of the Libyan oil industry to which they contribute, manipulated Qadhafi's cost-benefit analysis. Only by eventually giving up WMD could he re-enter the international community and strengthen his country in a positive manner. It is interesting to note, however, that the changes in Libyan behavior did not occur in one fell swoop. The punitive aspects of the sanctions alone did not force the Libyans to abandon WMD and terrorism thought they certainly contributed. There were another dynamics at work. One of them was coupling the sanctions with positive incentives.

E. ENGAGING LIBYA

In the history of dealing with Libyan terrorism and proliferation, there exists a robust tit-for-tat dynamic where positive inducements encouraged the Libyans to steadily fulfill the goals established by the United States and the UN. Haass and O'Sullivan conclude in *Honey and Vinegar: Incentive, Sanctions and Foreign Policy*, that, "incentives—or engagement strategies—can be applicable to managing relations not only with allies but also with adversaries."⁷³ Of the conclusions reached by Haass and O'Sullivan two important ones describe the Libyan situation. First, these authors posit that, "The best potential candidates for conditional engagement are often countries in which decision-making is highly concentrated."⁷⁴ Decision-making in Libya is confined to Qadhafi and a few of his key advisors. This made it easier for Western policy-makers to deal with one predominant and empowered interest group. Second, Haass and O'Sullivan observe that, "Countries with acute economic and strategic vulnerabilities can

⁷³ Haass and O'Sullivan, *Honey and Vinegar*, 161.

⁷⁴ *Ibid.*, 162.

make good engagement partners.”⁷⁵ As has been discussed previously, Libya depends almost exclusively on its oil revenues for its economic well-being. By focusing engagement on those incentives that would benefit the Libyan energy sector, the U.S. and the UN were able to bring about the desired changes in Libyan behavior.

The first incentive in the Western engagement strategy came when the United States and Britain offered to hold the Pan Am bombing trial in the Netherlands. Previously, U.S. and British officials had demanded that the trial be held in the United Kingdom. Libya accepted the terms and from then on, developments in the Libyan case have involved mostly positive interaction. In return for the suspension of painful UN sanctions, Libya handed over the bombing suspects. After the conviction of al-Megrahi, Libya began to repay the families of the victims. In return, the UN dropped the rest of the multilateral sanctions. After President Bush promised the dropping of many of the years-old unilateral sanctions against Libya, the North African nation eventually gave up its WMD programs and submitted to comprehensive inspections.⁷⁶ The positive incentives offered to Libya were dropping sanctions and extending invitations to membership in important beneficial organizations such as the World Trade Organization. The fact that the dropping of these sanctions could form the basis of the positive incentives offered to Libya speaks volumes about their effectiveness. This engagement with respect to Libya’s renunciation of WMD is important. Even after all of the multilateral sanctions of the UN were eliminated, the positive environment created in initial tit-for-tat exchanges set the stage for Libya to desert its pursuit of WMD. The engagement of Libya it seems moved along progressively quicker as the two sides slowly built confidence in each other’s intentions.

F. THE UTILITY OF SANCTIONS AND ENGAGEMENT

Did the sanctions levied against Libya have any utility? This chapter has already established that sanctions were effective in the Libyan case. To measure their utility, it is necessary to briefly look at the costs involved. Since utility is important to U.S. policy-makers, one must examine the costs incurred by the United States. The biggest losers in the Libyan situation were arguably the American oil companies. However, the

⁷⁵ Haass and O’Sullivan, *Honey and Vinegar*, 164.

⁷⁶ Mark, “Libya,” 1-3.

suspension of their Libyan contracts did not drive them out of business. It did not significantly impact the economy of the United States either. The oil that flowed in from Saudi Arabia and the Middle East more than offset the loss of Libyan oil. American aircraft companies probably lost some deals, but the size of Libya compared to other countries made these losses rather small. Since Libya purchased most of its conventional weapons and supplies from the Soviet Union, there was no great loss to American companies. Additionally, and maybe most importantly, there was no great expenditure of American military resources.

In retrospect, the utility of sanctions was quite good for the United States. After 2003, every goal, implicit or explicit, had been realized with the possible exception of regime change. The accomplishment of these goals coupled with the relatively low cost incurred by the United States translates to high utility.

G. SUMMARY

In summary, the effectiveness of both unilateral and multilateral sanctions against Libya created an environment that was conducive to positive engagement in the end game. Significant economic and political impact from the sanctions affected the cost-benefit calculations of Qadhafi and his regime.

Sanctions, both unilateral and multilateral, were effective because of a huge vulnerability in Libya, the oil sector. Multilateral sanctions severely hurt this industry, but maybe not as much as the literature predicted it would. Unilateral sanctions also were effective. The Libyan oil industry was vulnerable to U.S. unilateral sanctions because of the Libyan dependence on U.S. technology and expertise.

By engaging Libya at a time when sanctions had begun to affect the calculus of Qadhafi, the United States and its international allies were able to persuade a problem nation to significantly alter its strategic policies. The chapter returns to the question posed in the beginning. Were the costs of acquiring WMD too high for Libya?

The answer is an unequivocal maybe. Certainly, 25 years of sanctions took their toll on Qadhafi and the Libyan people. Qadhafi occupied a unique place in the world as one of its most prominent red-headed stepchildren. Internally, he felt pressure to maintain a certain standard for his people in order to stay in power. These pressures were

great, and they did significantly influence his decision to give up WMD. However, it would be premature to say that they were the sole reason for the Libyan renunciation. Analysis in the following chapters examines more possibilities for Libya's decision. In this manner, the comparative utility of sanctions against Libya will be exposed.

THIS PAGE INTENTIONALLY LEFT BLANK

III. WE KNOW WHAT YOU DID LAST SUMMER: DID LIBYA BELIEVE THAT IT COULD NOT GET AWAY WITH WMD PROCUREMENT?

A. INTRODUCTION

The past year has been particularly trying for the U.S. intelligence community. Numerous inquiries and commissions have highlighted and condemned several crucial flaws and gaps in the way the United States collects and analyses its intelligence. Most conversation in this area immediately turns to Iraq. This type of scrutiny is necessary. However, there have been relatively few people who have highlighted potential intelligence success stories. This chapter focuses on a very successful case of intelligence work. The U.S. intelligence community carefully and fairly accurately tracked and catalogued Libyan exploits for the past 30 years. This scrutiny had a two-fold effect on Qadhafi's regime. First, it provided U.S. policy-makers with credible and tangible evidence with which they could formulate strategies to counter Libya's undesirable moves. Second, public release of this information showed the international community that, despite his rhetoric, Qadhafi engaged in unfavorable actions and foreign policy. This served to further isolate him from the rest of world. In this chapter, I document the intelligence work carried out by the United States with respect to Libya. I identify intelligence work directly relating to WMD and show how this helped persuade both Libya and those who would formulate policy towards the North African pariah. I also describe intelligence work relating to Libya's state-sponsored terrorism. This intelligence work was not directly related to WMD. However, the policy that it inspired eventually had a significant effect on Libya's cost-benefit analysis.

This chapter finds that Western intelligence work had a significant effect on Libya's decision to give up its WMD. I reach a few important sub-conclusions which contribute to this finding. First, the intelligence community formulated an accurate assessment of Libyan actions and programs. Second, quality intelligence products moved other nations to join the United States in punishing Libyan terrorism and proliferation by consistently highlighting Qadhafi's transgressions. Finally, intelligence actions allowed the United States to be proactive in ultimately halting the Libyan nuclear program.

B. INTELLIGENCE AND LIBYAN CASE

U.S. and Western intelligence agencies monitored Libya closely for the better part of three decades. Understandably, intelligence agencies did not focus their attention solely on WMD. During the 1980s, much of the analysis focused on Libya's use of terrorism as a foreign policy instrument. It would be easy to discount this work and concentrate on intelligence efforts against Libyan WMD. However, the collection and analysis efforts targeting Libyan terrorism carried substantial weight in the policy decisions of not only the United States, but also the United Nations. These policy decisions can be linked to both direct and indirect effects on Qadhafi's WMD programs. It is therefore necessary to analyze intelligence efforts against both Libyan state-sponsored terrorism and WMD. It is convenient to look at these two categories and their associated implications separately. The implications are then analyzed as a whole to show the significance of Western intelligence successes in the Libyan case.

1. Western Intelligence and Libyan State-Sponsored Terrorism

Throughout the 1980s the intelligence services of the United States and its allies linked Libyan-sponsored agents to various acts of terrorism around the globe. In this period of intelligence work, Western actions can be categorized as investigative in nature. In other words, they were not proactive. There is little evidence to suggest that U.S.-led counter-terrorism efforts had much effect during this time period. Western intelligence agencies responded to Libyan actions by linking its terrorists to the specific acts. This in turn made Qadhafi and his regime culpable so that other punitive measure could be carried out. I find it helpful to look at the intelligence work of the 1980s as three separate cases. This is necessary because the policy that resulted from each investigation is somewhat unique for each case. These three cases can be categorized as the early 1980s, the Berlin Discotheque Bombing, and the Pan-Am 103 and UTA 772 aircraft bombings.

a. The Early 1980s

Several Libyan-sponsored terrorist acts grabbed the attention of the Reagan administration in the beginning of the 1980s. U.S. domestic agencies linked the Libyan Embassy in Washington, DC. to several undesirable activities. Among them were terrorism and the intimidation of Libyan dissidents residing in the United States.

This activity led the United States to close of the Libyan Embassy and expel the country's diplomats.⁷⁷

In 1981, several more terrorist activities were linked by U.S. intelligence services to Qadhafi. In October of that year, the U.S. Ambassador to Italy was recalled after intelligence sources discovered a plot to abduct or kill him. The next month, shots were fired at the U.S. Ambassador to France. In December, officials discovered explosives in speakers at an embassy-sponsored event in Sudan. There were even press reports that Libya had sent hit-squads to assassinate then President Ronald Reagan. In December 1985, bombs in the Rome and Vienna airports killed five Americans. U.S. intelligence agencies once again linked Qadhafi and Libyan-sponsored terrorist to the attacks.⁷⁸

This wave of Libyan-sponsored terrorism elicited two important responses from the United States and the Reagan Administration. First, in response to these actions, the United States levied major, comprehensive economic and diplomatic sanctions targeting the Libyan oil and airline industry. Second, the United States began its decade-long freedom of navigation exercises in the Libyan-claimed Gulf of Sidra. The implications, impact and significance of these sanctions and coercive diplomacy attempts is analyzed in other chapters. The important thing to note here is that it was the intelligence community's ability to implicate the Libyans in these acts that led to the subsequent punitive actions of the Reagan Administration. In essence, intelligence collection and analysis resulted directly in measurable action against Qadhafi and his regime.

b. The Berlin Discotheque Bombing

On 5 April 1986, Palestinian terrorists blew up the La Belle nightclub in West Berlin. This nightclub was known to be frequented by American service members serving in Germany. The bomb killed two Army soldiers and injured 60 Americans in all. U.S. intelligence sources almost immediately implicated Libya in orchestrating the bombing. U.S. agents were able to link the Libyan Embassy in East Berlin to the bombing through analysis of radio signals intercepted before and after the attack.⁷⁹ U.S.

⁷⁷ Mark, "Libya," 7.

⁷⁸ Ibid., 7-8.

⁷⁹ Unknown, "Kohl Links Libya to Disco Bombings but Cautions U.S.," *Los Angeles Times*, 11 April 1986, 1.

analysis was verified independently by an ex-STASI defector who confirmed that the Libyan Embassy provided logistical support to the operation.⁸⁰

The bombing of the La Belle nightclub deeply angered President Reagan. Within ten days of the terrorist attack, the United States launched its first and only military strike against Libya, targeting terrorist camps, airfields and command and control. Operation EL DORADO CANYON was launched in retaliation for the Berlin attack. As with the early 1980s intelligence work against Libya, the raid on Libya was a direct result of U.S. intelligence efforts. By concretely linking Qadhafi to the bombing, Reagan could credibly defend his actions against the North African nation. The effectiveness and implications of this raid are discussed in depth in Chapter IV.

c. Pan Am 103 and UTA 772 Bombings

In the final two years of the 1980s the two most lethal Libyan-sponsored terrorist attacks took place. On 21 December 1988, a Pan Am flight from London, on its way to New York, exploded over Lockerbie, Scotland. All 244 passengers and 15 crew members on board were killed. Many of them were U.S. citizens. On September 1989, a French Airliner, UTA 772, exploded over Niger as a result of a terrorist bomb.

Immediately after the Pan Am 103 tragedy, intelligence and investigation agencies from the United States and several European countries launched a massive probe into tracking down those responsible for the bombing. Steven Emerson described the investigation as:

the most comprehensive and meticulous criminal investigation ever conducted. Hundreds of investigators from both sides of the Atlantic spent the better part of three years tirelessly working the case – conducting nearly 20,000 interviews in more than 100 countries and tracking down nearly every potential lead, no matter how bizarre or difficult to chase.⁸¹

Western intelligence initially linked the bombing to Syrian and Iranian cells acting in retaliation for the U.S. shoot down of an Iranian airliner. As the investigation continued, it became clear that the Libyans were also involved. In fact, at the end of the investigation, intelligence analysts labeled Libya as solely responsible for the act of

⁸⁰ Edward Cody, "E. German Defector Bring Intelligence Lode; Stasi member confirms Libyan Involvement in Berlin Disco Bombing," *Washington Post*, 21 June 1990, A27.

⁸¹ Steven Emerson, "Pan Am 103: Terrorism Whitewash?; Libya is Culpable, but Did Syria Really Take a 'Bum Rap' as Bush Says?" *Washington Post*, 17 November 1991, C2.

terrorism. The damaging evidence included microchip detonators traced to two Libyan intelligence officers operating out of Malta and the confession of a Libyan operative in Congo. Some individual analysts doubted whether the operation was only conducted by Libya, however, none of them ever expressed that the Libyans were not culpable. The result of this massive effort was the indictment of two Libyan intelligence agents for masterminding the Pan Am 103 operation.⁸²

The investigation into the bombing of UTA 772 was conducted mainly by the French. Their analysis yielded the conviction in absentia of six Libyan agents.⁸³ However, U.S. agencies also quickly linked the Libyans to the bombing. In a now declassified CIA report, analysts note, “His [Qadhafi’s] strategic goals – including ending French influence in Africa – and terrorist capabilities remain intact. Qadhafi has sanctioned attacks against UTA airliners in the past, and some evidence suggests Tripoli was involved in the most recent attack.”⁸⁴ In a matter of days, U.S. intelligence fingered the Libyans.

The Pan Am 103 and UTA 772 bombing investigations are extremely important in the Libyan case for two reasons. First, the investigations yielded credible defendants who could be prosecuted for these heinous acts. Second, and more importantly, the work of Western intelligence agencies directly affected major policy decisions. This time, the Libyan link to both bombings resulted in comprehensive, multilateral UN sanctions against the North African nation. The significance and implications of these sanctions are discussed in detail in Chapter II. Of importance here is the stellar work of Western intelligence that directly contributed to this major shift in international sentiment towards Qadhafi and Libya.

d. Summary

I noted previously that none of these intelligence successes directly contributed to Libya’s decision to give up its WMD programs. However, they did contribute indirectly. Intelligence work on Libyan state-sponsored terrorism led quickly

⁸² Steven Emerson, “Pan Am 103: Terrorism Whitewash?: Libya is Culpable, but Did Syria Really Take a ‘Bum Rap’ as Bush Says?” C3. Emerson describes the entire investigation in very good detail and the important Libyan aspects have been summarized in this paragraph.

⁸³ Mark, “Libya,” 3.

⁸⁴ CIA, *Terrorism Review*, 5 October 1989, 2. Obtained at <http://www.foia.cia.gov/>.

to major policy decisions from both the United States and the international community. These policy decisions included comprehensive unilateral and multilateral sanctions as well as U.S. coercive diplomacy. I discuss the detailed impact on Libya of each policy tool in Chapters Two and Four, but the bottom-line is that there was influence on Libya's WMD calculus. Furthermore, the intelligence work of the 1980s showed Qadhafi that any of his attempts at problematic foreign policy would be closely monitored by the United States and its allies and that these entities would not allow him to proceed unchecked. At the beginning of the 1990s, Qadhafi had mostly given up on state-sponsored terrorism and resorted to large-scale activities to hide his WMD proliferation efforts.

2. Western Intelligence and Libyan WMD

At the end of the 1980s, Qadhafi refocused his efforts from terrorism to WMD proliferation. It is well documented that he began his quest for a nuclear weapon in the 1970s.⁸⁵ However, he began his proliferation exploits in earnest in the late 1980s. Again, it was intelligence that discovered these programs, and it would ultimately be intelligence that began the process of Libya's WMD disarmament. U.S. intelligence agencies kept successive administrations informed of Qadhafi's WMD developments throughout the 1990s. Several CIA reports catalogue his efforts and highlight them to decision-makers.⁸⁶ In the following paragraphs, I highlight the most effective use of intelligence assets in exposing and affecting Libyan WMD programs. These cases adequately illustrate the importance and relevance of intelligence in the Libyan case, and allow me to draw broader findings on intelligence and Libyan WMD in the end of the chapter. The following events are now discussed in further detail: the Rabta and Tarhunah CW plants, Libyan ballistic missiles, and the resurgence of the Libyan nuclear weapons program.

a. Rabta

Rabta, the first major chemical weapons plant constructed by Libya, was discovered under construction in Libya. At the time, William Webster, then director of

⁸⁵ Mark, "Libya," 2.

⁸⁶ CIA, "<http://www.cia.gov/cia/reports>." There are many examples of tracking Libyan WMD proliferation. In particular, see Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions January - June 1999, Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions January - June 1998, and Report of Proliferation-Related Acquisition in 1997

the CIA, observed that it, “may be the single largest chemical warfare agent production plant in the Third World.”⁸⁷ At the time Webster was giving testimony to Congress on the spread of chemical weapons. In the months leading up the speech, U.S. intelligence agencies had discovered the construction of the factory and its connection with some prominent West German companies. Their work established a link between the Libyan plant and European suppliers. Intelligence also pieced together that thousands of foreign workers were employed in the construction of the plant, including West German workers. In 1990, Libya offered to destroy the plant if the Western nations helped it build a new pharmaceuticals plant, but the offer was rejected.⁸⁸ U.S. policy-makers pressed the international community to put pressure on Libya using the Rabta intelligence. In the conference leading to the Chemical Weapons Convention’s ban on chemical weapons, the United States tried in vain to convince other nations that Rabta was a serious threat to the world. Soon after, the plant was seemingly destroyed by a fire. However, U.S. satellites quickly revealed the fire as a hoax.⁸⁹ Not much mention of the plant was made following the fire and intelligence on it was limited. However, inspections in 2004 revealed that the plant was still operational.

On some levels, the intelligence surrounding Rabta seems to have been of little use. The international community refused to see it as a threat and the plant continued to operate. However, intelligence in the Rabta event was important for a few reasons. First, it highlighted the large amount of foreign involvement in the Libyan chemical weapons program. Some West German businessman would eventually be sentenced to prison for their role in the plant.⁹⁰ This forced European nations to take a serious look at their export control programs with regards to Libya and other rogue nations. Second, U.S. intelligence again showed Qadhafi that the United States knew what he was up to. While Libya continued with WMD proliferation, it had to become much more secretive about it

⁸⁷ Quoted in, Colin Norman, “CIA Details Chemical Weapons Spread,” *Science* 243, no. 4893 (17 February 1989), 888.

⁸⁸ Joshua Sinai, “Libya’s Pursuit of Weapons of Mass Destruction,” *The Nonproliferation Review* 4, no. 3 (spring/summer 1997), 93-4. Sinai provides a comprehensive description of how Rabta was constructed and who participated.

⁸⁹ George Lardner Jr., “Satellite Photos Indicate Hoax at Rabta,” *Washington Post*, 7 April 1990, 11.

⁹⁰ Terence Roth, “German Firms Tied to Libyan Facility Will be Broken Up,” *Wall Street Journal*, 21 June 1991, A8.

and also could not rely as heavily on European suppliers. The bottom line is that intelligence collecting and analysis facilitated effective U.S. nonproliferation policy.

b. Tarhunah

Tarhunah was Libya's second large-scale chemical weapons facility. Again, U.S. intelligence agencies uncovered the facility. CIA analysts discovered the deeply buried complex using satellite photos and human intelligence in 1992. From 1992 to 1996 when the Clinton Administration openly threatened the facility, U.S. intelligence worked to hamper its progress. Because the CIA had trouble penetrating Qadhafi's inner circle, it relied on foreign informants who were crucial to the Libyan chemical program. Officials determined that there was no good way to destroy the plant, so they concentrated instead on hampering its progress. CIA and State Department officials persuaded several European nations to stop sending spare parts to the facility. A CIA team even met directly with then German Chancellor Helmut Kohl and persuaded him to stop German companies from sending boring equipment into Libya.⁹¹ In the end, the United States could only slow the facility's construction. Qadhafi found alternate methods for procuring the necessary equipment.

The recently released Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction's Report contains a chapter dealing with Libyan WMD and U.S. intelligence. The commission was convened to examine the U.S. intelligence capabilities after serious problems arose from incorrect analyzing of Iraq's WMD capabilities. One of the findings of the report is that intelligence had only limited effectiveness against the Libyan chemical program due to technical collection methods.⁹² While this may be true, intelligence efforts against Tarhunah were effective in other ways. First, the intelligence community was highly successful in curtailing what remained of European firms' support to Libyan programs. Qadhafi was forced to turn to Asia, and in doing so, he needed to take more chances. Second, just as with Rabta, Libya had to work even harder to hide its activities. Third, uncovering Tarhunah and publicizing it brought ever greater international pressure on Qadhafi and his regime. It served to further cut off the already isolated leader. Fourth, the importance of foreign

⁹¹ Douglas Waller, "Target Gaddafi, again," *Time* 147, no. 14 (1 April 1996), 46-7. Contents of this article are briefly summarized detailing the fascinating effort to curtail construction at the Tarhunah Facility.

⁹² *Intelligence Capabilities Report*, 258.

expertise and technology to Libyan programs was again highlighted. One other factor is interesting in the Tarhunah analysis. It is interesting to note that CIA officials actually participated in diplomatic efforts of persuasion. Previously, intelligence agencies solely gathered and provided information to policy-makers. This role is further discussed in the nuclear program section.

c. *Libyan Missile Program*

The Libyans relied heavily on the North Koreans for their ballistic missile programs. Throughout the 1990s, U.S. and Western intelligence agencies accurately analyzed and tracked Qadhafi's ballistic missile program. The WMD Reports observes, "The Community had intelligence on facility locations, personnel involved in the programs, and Libya's cooperative efforts with other nations."⁹³ In essence, U.S. intelligence provided the necessary information for policy makers to make informed decisions when targeting the Libyan missile program.

The intelligence on Libyan programs would become important when the United States confronted the Libyans with the information. I discuss this matter late in the chapter.

d. *Libyan Nuclear Program*

As was noted earlier, Qadhafi desired a nuclear weapon beginning in the mid-1970s. He was unable to make much progress with the program for several years. Qadhafi's efforts ranged from offering to pay off the entire amount of India's debt (\$15 billion) to trying to obtain small amounts of nuclear material on the black market.⁹⁴ None of his numerous efforts yielded any tangible results. However, with the suspension of UN sanctions in 1999, Qadhafi and Libya made substantial progress in developing a nuclear weapon. Here, the value of U.S. intelligence work was extremely high.

The exploits of the father of the Pakistani nuclear bomb, A.Q. Khan, have been well documented over the past year. After featuring prominently in the creation of the Pakistani bomb, Khan turned his efforts to selling nuclear technology to other nations. Cataloguing the complete extent of Khan's operation is beyond the scope of my analysis.

⁹³ *Intelligence Capabilities Report*, 259.

⁹⁴ NTI Chronology of Libyan Nuclear Program,
"http://www.nti.org/e_research/profiles/Libya/4132_5203.html."

However, summarizing his interactions with the Libyan nuclear program is necessary to show the effectiveness of U.S. intelligence.

In 1997, Khan accepted an offer for 100 million dollars to manufacture a complete bomb-building facility for the Libyans. Due to U.S. pressure on Pakistan to curtail Khan's suspected efforts, Libya would have to wait a couple of years while Khan set up new supply networks in South Africa and Malaysia. This shift to new suppliers gave U.S. intelligence agencies an opportunity to initiate sophisticated monitoring on Khan's network. George Tenet, former CIA director, stated, "we [U.S. intelligence] were inside his residence, inside his facilities, inside his rooms."⁹⁵ This golden break allowed U.S. intelligence agencies to monitor and gather information on Khan's activities. These agencies exercised caution not to move too quickly in order to prevent a, "compromise of a collection system costing millions of dollars or a specific, crucial source that would be evident if the information were acted on."⁹⁶ Continued tracking of Khan's activities showed that he had set up a new operation in Malaysia. U.S. and British agencies then determined in late 2002 that Khan's extensive nuclear activities were intended for Libya. The British-authored *Butler Commission Report* stated that, 'By January 2003, the JIC [Joint Intelligence Committee, U.K.] was becoming particularly concerned at the progress Libya might be able to make as a result of the assistance it had received from the network...Khan's activities had now reached the point where it would be dangerous to allow them to go on."⁹⁷ When British intelligence received reliable information that a ship, *BBC China*, containing nuclear equipment was leaving Malaysia bound for Libya, U.S. and British agencies were able to track and ultimately interdict the shipment. This interdiction marked the final blow to both the Libyan nuclear program and A.Q. Khan's network.⁹⁸

The impact of Western intelligence work on the Libyan nuclear program, especially in the last five years, cannot be understated. Stellar work by U.S. and British

⁹⁵ Quoted in, Douglas Frantz, "The World: A High-Risk Nuclear Stakeout," *Los Angeles Times*, 27 February 2005, A1.

⁹⁶ Ibid., A1.

⁹⁷ Committee of Privy Counselors, *Review of Intelligence on Weapons of Mass Destruction*, (London: The Stationary Office, 2004), 17.

⁹⁸ Frantz, "A High-Risk Nuclear Stakeout," 27. This article gives an excellent and extensive explanation of the Khan network and its dealings with Libya. This paragraph draws heavily on it contents.

agencies accurately tracked and analyzed most of the important events in the case. Intelligence work led directly to the interdiction of crucial elements of the Libyan program. Again, Western intelligence showed Qadhafi that his best efforts to conceal his intentions were not beyond the reach of the international community. In fact, the final interdiction of Libyan-intended nuclear components may well have been the final blow to the Libyan WMD program. This is discussed later in this chapter.

e. Intelligence Limitations

Western agencies performed well in the Libyan case, but they did not perform perfectly. It is worth noting intelligence shortcomings before continuing. In the 1980s, Western intelligence agencies were very reactive with respect to Libya. In many of the Libyan terrorist episodes, intelligence was able to piece together what happened but could do nothing to prevent these attacks. It appears that intelligence agencies also had a hard time placing reliable sources inside the regime.⁹⁹ Western intelligence adapted to this limitation by going after supply chains. The *Intelligence Capabilities Report* also notes a few intelligence shortcomings in the Libyan case including overestimation of chemical stockpiles and uncertainty with respect to its biological programs. Two of the shortcomings are worth further explanation. First, analysts equated procurement with technical ability. In previous chapters, I have pointed out that Libya lacked sufficient indigenous technological capability. It had to rely on foreign expertise. Had analysts realized this early on, then counter-proliferation intelligence work could have focused on foreign supply chains much earlier. Second, analysts did not take into account the contributions of other influence strategies in play such as political and economic pressure. Incorporating information from these strategies might have allowed intelligence agencies to more effectively concentrate their efforts on parts of the Libyan program that would produce the desired outcomes.¹⁰⁰

While intelligence agencies did not perform flawlessly, they did perform effectively. Intelligence work on the Libyan case led to significant persuasive forces that manipulated Qadhafi's cost-benefit analysis.

⁹⁹ Waller, "Target Gaddafi, again," 46.

¹⁰⁰ *Intelligence Capabilities Report*, 254-61.

f. Summary

Western intelligence work against Libya's WMD programs contributed both directly and indirectly to thwarting Libya's WMD efforts. Indirectly, the successive exposure of nearly all of the Libyan WMD programs showed Qadhafi that the United States and its allies would not turn a blind eye to his proliferation exploits. In fact, they showed him that the eye was always on him. The repeated revelations on different Libyan WMD efforts also served to further isolate Qadhafi and his regime. Western intelligence directly affected Libyan WMD programs by making possible the interdiction of key elements of the Libyan nuclear program. Equipment and expertise which Qadhafi desperately needed were denied him by Western intelligence work.

C. SIGNIFICANCE OF INTELLIGENCE IN THE LIBYAN CASE

I have shown above that the intelligence agencies of the United States and its allies were actively involved in the Libyan case for the past three decades. Intelligence agencies collected, analyzed and acted on many of Qadhafi's troubling behaviors. These include state-sponsored terrorism and WMD. In order to determine whether or not this work was significant, I show its effectiveness. If intelligence was effective in the Libyan case, then it was also significant. The effectiveness can be shown in three different areas. First, intelligence work provided decision-makers with justification to carry out different policy options that would ultimately influence Libyan WMD indirectly. This work also focused negative attention on Qadhafi and his regime. I label this as support of other policies. Second, intelligence work exposed major pieces of the Libyan WMD program. I label this as nonproliferation support. Third, intelligence work actually hampered and sometimes halted Libyan WMD efforts. I label this as counter-proliferation support.

1. Support of Other Policies

Intelligence provided indirect effects WMD efforts even when it was not specifically focusing on it. Analysis of intelligence agencies led to some important policy decisions. In the 1980s, intelligence agency-led investigations justified strict unilateral and multilateral sanctions against Libya. These sanctions were shown in the previous chapter to have been effective in influencing Qadhafi's calculus. Therefore, the intelligence work that gave birth to them must also have been effective. The same is true with U.S. coercive diplomacy actions in the 1980s such as the raid on Libya and U.S. freedom

of navigation exercises in the Gulf of Sidra. These actions were moderately effective in influencing the Libyan WMD decision and thus, the intelligence work which justified them was, too.

2. Nonproliferation Support

Intelligence revealed to the world major portions of Qadhafi's WMD programs. Western agencies linked Libya to terrorist bombings and actions, exposed its two major chemical weapons production facilities, and exposed its ambitious nuclear aspirations. This exposure had two results which can be called somewhat effective. One result is that repeated revelations into Libyan programs forced Qadhafi to become successively more secretive with his proliferation efforts. The effect was that it was more difficult for him to breed successful programs. The other result is that intelligence work focused negative attention on Qadhafi. No Western nation, or its industries could afford to be associated with Libya. Qadhafi had to turn to different suppliers and thus take more chances which were easier for U.S. intelligence and other agencies to exploit. These actions were moderately effective because they exposed Qadhafi's programs to the world.

3. Counter-proliferation Support

Counter-proliferation support occurred in two different episodes in the Libyan case. The first is Tarhunah. Here, U.S. intelligence agencies were directly involved in a coherent effort to stop the construction of the chemical weapons facility. While they did not succeed in halting the operation, they significantly delayed its completion. It took the Libyans over five years to complete the facility when a much more rapid timeline would have been possible with unrestricted access to the necessary equipment.

The exposure of the Libyan nuclear weapons program is the second important episode. In this episode, U.S. and British intelligence agencies were instrumental in halting the development of a Libyan nuclear weapon. They had penetrated the Khan network and learned the extent of Qadhafi's nuclear ambitions. Intelligence work then led to the interdiction of key elements of the Libyan program. This interdiction was "the straw that broke the camel's back".

In March of 2003, Qadhafi's son approached British intelligence agents looking for a way to end the North African nation's years of isolation.¹⁰¹ Over the next few months, U.S. and British agents relayed to the Libyans that they needed to divulge and give up their WMD efforts. These talks were going nowhere until the Libyan nuclear shipment was interdicted. This interdiction as well as presenting to the Libyans a comprehensive picture of exactly what Western intelligence knew about its nuclear and missile programs finally convinced Qadhafi and his regime that they should abandon WMD and come back into the international community. George Tenet has conveyed these ideas to a variety of audiences. In a speech to Congress, he explained:

Our intelligence convinced them to disclose several dozen facilities, including their deployed Scud B sites and their secret North Korean-assisted Scud C production line. [Additionally,] we arranged to have the cargo seized, showing the Libyans that we had penetrated their most sensitive procurement network.¹⁰²

Thus, counter-proliferation support was very effective in persuading Qadhafi to renounce his WMD.

EFFECTIVENESS OF INTELLIGENCE SUPPORT	
Support of other policies	Moderate – Influenced policies which indirectly effected Libyan WMD (sanctions, coercive diplomacy)
Nonproliferation Support	Moderate – Exposed Libyan WMD programs. Focused international attention on Libya
Counter-Proliferation Support	High – Penetration and interdiction of Libyan supply network strongly influenced Qadhafi's calculus
Cumulative	High – Indirect pressure, focused attention and severe disruption of supply chain

Figure 3. Intelligence Effectiveness

¹⁰¹ Ibid., A1.

¹⁰² George Tenet, "The Worldwide Threat 2004," Testimony before the Senate Armed Services Committee, 9 March 2004.

4. Conclusion

The combination of both the moderate effectiveness of other policy and nonproliferation support and the high effectiveness of counter-proliferation support leads me to conclude that intelligence was significant in persuading Libya to renounce its WMD programs (See Figure 3). The Western intelligence community formulated an accurate assessment of Libyan actions and programs. Quality intelligence products moved other nations to join the United States in punishing Libyan terrorism and proliferation by consistently highlighting Qadhafi's transgressions. Finally, intelligence actions allowed the United States to be proactive in ultimately halting the Libyan nuclear program. Having established that intelligence was a significant causal factor in the Libyan case; I compare its significance with the other options in Chapter V.

THIS PAGE INTENTIONALLY LEFT BLANK

IV. WE GOT SADDAM, YOU'RE NEXT: DID THE THREAT OF U.S. MILITARY FORCE COMPEL LIBYA TO GIVE UP ITS WMD?

A. INTRODUCTION

This chapter seeks to document the significance of coercive diplomacy in motivating Libya to give up its WMD. The role of coercive diplomacy is certainly the most hotly contested of the causal factors. Sanctions and the severing of diplomatic ties are in fact coercive measures. Their purpose is to compel the target nation to change its behavior. However, they are not part of a strictly coercive diplomacy strategy. Coercive diplomacy is, “the attempt to get a target--a state, a group (or groups) within a state, or a nonstate actor--to change its objectionable behavior through either the threat to use force or the actual use of limited force.”¹⁰³ This chapter examines those elements of U.S. – Libyan relations which fit within the definition of coercive diplomacy. I begin with a brief history of military related actions carried out against Libya by the United States. This includes both threatened and actual military options. Next, I analyze the effects of American coercive actions on Libya’s calculus. This analysis includes a study of Libyan counter-coercion efforts. I then relate this analysis to the guiding question of this chapter. Finally, I summarize the explanatory power of coercive diplomacy in influencing Qadhafi’s decision to abandon WMD and rank its significance.

There is some credible evidence that Qadhafi and Libya were influenced by U.S. military threats and actions. However, I find that the significance of coercive diplomacy in changing Qadhafi’s actions and forcing him to renounce WMD is rather minor. At the most they may have added extra weight to the more poignant effects of sanctions and intelligence successes. In the least, they may have instead signaled a lack of resolve on behalf of the Americans to follow through with their threats. In any event, it is clear from the Libyan case that U.S. policy-makers should not rush headlong into threatening a rogue nation without carefully analyzing what factors make for success and what reactions these threats are likely to stir-up.

¹⁰³ Robert J. Art and Patrick M. Cronin, *The United States and Coercive Diplomacy*, (Washington D.C.: United States Institute of Peace Press, 2003), 6.

B. AMERICAN THREATS AND MILITARY ACTIONS AGAINST LIBYA

Military-related interactions with Libya began almost immediately after the total deterioration of diplomatic relations. Nearly every episode related to military actions or threats involved the use of American airpower, most of it carrier-based. Early skirmishes with the Libyan Air Force related directly to Libya's claim over the Gulf of Sidra, first made in 1973. International law recognizes that the territorial waters of a nation extend 12 miles off of its coasts. However, a bay can also be counted as territorial water if certain conditions are met. Since the Gulf of Sidra had an opening of over 300 miles, Libya's claim was rejected by the United States in early 1974.¹⁰⁴ Soon after, the President authorized a Freedom of Navigation exercise in the gulf in order to maintain its open status. The presence of U.S. aircraft carriers in the Gulf of Sidra throughout the 1980s sparked several aerial engagements.

In September of 1980, a Libyan fighter fired a missile at an American EC-135. The missile missed its target with no retribution attacks by the United States. About one year later, in August of 1981, two Libyan SU-22s fired missiles at two Navy Tomcats that were escorting the Libyan planes out of a U.S. declared exercise area. The F-14s evaded the missiles and then shot down the two Russian-built fighters. In 1983, two F-14s once again intercepted to Libyan fighter over the Gulf of Sidra, but no shots were exchanged.¹⁰⁵

The year 1986 marked the highest level of military engagement between the United States and Libya. Early in the year, Qadhafi proclaimed a "line of death" across the Gulf of Sidra. He warned the any American craft entering the gulf would be shot down or sunk. The Americans responded to Qadhafi's bold proclamation by conducting a large exercise (Operation Prairie Fire) involving over 40 ships and 200 aircraft in the Mediterranean. Soon after U.S. Navy aircraft and surface vessels crossed the "line of death" in late March, the Libyan fired several surface-to-air missiles (SAM) at the Americans. The United States responded by destroying the SAM sites and bombing and sinking several small Libyan patrol boats that were harassing American naval vessels.¹⁰⁶

¹⁰⁴ Clyde R. Mark, "Libya," *CRS Issue Brief IB93109*, 17 March 2005, 7.

¹⁰⁵ *Ibid.*, 8.

¹⁰⁶ Jason Manning, "Raid on Libya," <http://eightiesclub.tripod.com/id313.htm>, August 2005.

Not surprisingly, the Libyan-sponsored bombing that killed two U.S. Army soldiers in a Berlin nightclub occurred only two weeks later.

In response to this act of terrorism, President Reagan launched the biggest of all of the U.S. military actions against Libya, Operation EL DORADO CANYON. On 15 April 1986, over 100 USAF and USN aircraft carried out strikes on 5 different sets of targets within Libya. Among them were Qadhafi's command and control center, two military airfields, and two terrorist training camps. While the raid did not specifically target Qadhafi, it was hoped that he would be somewhere near his command center. The strikes achieved decent damage with 37 Libyans killed and minor collateral damage. Additionally, Qadhafi's adopted daughter was killed in the raid. The United States lost one F-111 and its crew of two.¹⁰⁷

The final aerial duel between Libya and the United States took place in 1989. Once again, two U.S. Navy F-14s shot down two Libyan Mig-23s over the Gulf of Sidra after the Libyan fighters pursued the American aircraft despite their execution of several evasive maneuvers.¹⁰⁸ The above incidents catalogue the actual use of American force against Libya. However, three additional attempts at coercive diplomacy also merit discussion.

Sometime in 1988, U.S. intelligence agencies revealed to the world that Libya had constructed a chemical weapons production facility in Rabta with the help of private German companies. Some linked the 1989 downing of the two MIGs to coercive efforts of the United States. However, the generally accepted explanation is that the two events were unrelated from the standpoint of the United States. The United States publicly chose to follow diplomatic and economic avenues to put pressure on Libya to stop weapons production at Rabta. It met with considerable resistance from Europe, on whether Rabta was indeed a weapons plant, and also on whether a military course of action was prudent. Most European nations felt that attacking Rabta would only provoke more terrorist attacks from Qadhafi. Still, George Shultz, then U.S. Secretary of State,

¹⁰⁷ Walter Boyne, "El Dorado Canyon," *Air Force Magazine* 82, no. 3 (March 1999).

¹⁰⁸ Mark, "Libya," 9.

hinted at military options by stating, “Obviously, if the facility [Rabta] were destroyed that would take care of the problem. That’s always possible.”¹⁰⁹

Once again in 1996, the United States overtly considered the idea of military options against Libya. This time, Libya had constructed a new, underground chemical weapons facility in Tarhunah. Then CIA Director, John Deutch, called Tarhunah, “the world’s largest chemical weapons plant.”¹¹⁰ U.S. authorities released drawings of the plant to the public and then Secretary of Defense, William Perry, told the press that the United States would not allow Libya to finish construction of the plant. He further added his statement could most definitely be taken as a warning that the U.S. was willing to bomb the facility.¹¹¹ In an even bolder statement, Howard Smith, Perry’s nuclear weapons technical expert, in a public speech, said that the United States would have to use tactical nuclear weapons to destroy the deeply-buried and hardened facility.¹¹²

Finally, elements of coercive diplomacy against Libya can be extrapolated from President George W. Bush’s 2002 *National Security Strategy*. Section V of the strategy deals with nations and actors dabbling in WMD. It states that emphasis has shifted from Cold War Deterrence to countering rogue states dealing in WMD. One major feature of the policy is that the United States will now deal with proliferators in a proactive fashion. Among other things, this means that the United States is prepared to use pre-emptive military force against rogue nations.¹¹³ Although Libya is not named in the strategy, it is possible to infer that its WMD efforts fell under the auspice of the new strategy.

C. METHODOLOGY

While each of the actions described above entails some threat or actual use of force against Libya, it is not easy to analyze the coercive effects of them individually. Rather, I present them based on how they fit into different coercive diplomacy strategies targeted at Libya for the last 20 years. This serves two purposes. First, placing these acts

¹⁰⁹ Doyle McManus and Norman Kempster, “Clash Over the Mediterranean: U.S. Tries to Cool Confrontation, Seeks Peaceful Ways to Disable Chemical Facility,” *Los Angeles Times*, 6 January 1989, 12.

¹¹⁰ Joshua Sinai, “Libya’s Pursuit of Weapons of Mass Destruction,” *The Nonproliferation Review* 4, no. 3 (spring/summer 1997), 95

¹¹¹ Art Pine, “U.S. Hints It Would Bomb Libyan Weapons Facility,” *Los Angeles Times*, 12 April 1996, 4.

¹¹² William M. Arkin, “Nuking Libya,” *Bulletin of Atomic Scientists* 52, no. 4 (July/August 1996), 64.

¹¹³ George W. Bush, *National Security Strategy of the United States*, (Washington D.C.: U.S. GPO, 2002), 13-14.

into broad categories allows me to relate them to their broad objectives. Second, and equally as important, it facilitates measuring the effects of coercive diplomacy on Libya's renunciation. Before this empirical assessment, it is helpful to examine exactly what kind of policy moves compose coercive diplomacy

1. Elements of Coercive Diplomacy

Robert Art observes that coercive diplomacy is by nature a form of compellence. In essence, all forms of coercion compel the target to change its behavior. Compellence can take three different forms in coercive diplomacy: diplomatic threats, demonstrative use of force which can be exemplary or limited use of force, and full scale war. Since coercive diplomacy aims to avoid war, only threats and demonstrative use of force are employed in this strategy.¹¹⁴ One common definition of war says that casualties must number over 1000. Using this threshold, no event in the Libyan case comes close to war. Therefore, all of the following cases of coercive diplomacy against Libya involve either threats or demonstrative use of force.

2. Coercive Diplomacy and Libya: Defining Efforts and Objectives

The individual aerial and naval engagements of the 1980s can be lumped into one category. While each was a separate act of force often spread out by years, they relate to one theme. All of these episodes concerned the Gulf of Sidra and the right to free passage. Each encounter with Libyan forces occurred over or on the gulf. In these engagements, the goal of U.S. coercive diplomacy was to persuade Libya to give up its false claim to the Gulf of Sidra. By placing its forces consistently within the "line of death" the very overt threat of the U.S. military presence and the limited aerial engagements were meant to compel Libya to give up its claim. Certainly, another goal of these acts was to keep pressure on Libya for its support of terrorism. Alexander George writes, "they were intended to demonstrate, to both Qadhafi and Europeans, that the United States was losing patience with state-sponsored terrorism and was prepared to take forceful action, if necessary,"¹¹⁵

One episode of coercive diplomacy occurring in the 1980s that must be separated from the rest of that time period is Operation EL DORADO CANYON. I do this for two

¹¹⁴ Art and Cronin, *The United States and Coercive Diplomacy*, 9.

¹¹⁵ Alexander L. George, *Forceful Persuasion: Coercive Diplomacy as an Alternative to War*, (Washington D.C.: United States Institute of Peace Press, 1991), 55.

reasons. First, this was a full scale raid initiated by the United States. Second, it had some different objectives than the Gulf of Sidra skirmishes. President Reagan's goals for the raid were twofold. First, he wanted to punish Qadhafi and his cohorts for the Berlin bombing and other acts of terrorism. Second, Reagan wished to persuade him to end his support of terrorism. The President stated immediately following the raid that the "purpose of the bombing raids was to deter future attacks, not just to retaliate for those that already have taken place."¹¹⁶

U.S. reactions to the discovery of the Rabta chemical plant are important because it was the first time that Libyan WMD entered the playing field. Only the weakest of coercive threats were made during this time period. There were the comments Schultz made and those of Reagan, who initially made a statement saying the United States was considering all options. However, Reagan said a few weeks later that there existed no plan for bombing Rabta.¹¹⁷ Obviously, the primary objective of any form of U.S. policy was to compel the Libyans to abandon the project. The evidence that coercive diplomacy was used is fairly scarce since all hints at military options towards Libya vanished almost immediately from U.S. rhetoric. Interestingly enough, the Rabta facility burnt down about a year later. Once this happened, U.S. policy-makers seemed to relax their stance towards Libya considerably even though U.S. reconnaissance satellites produced strong evidence that the fire was a hoax. Most in the administration seemed to think that the plant would, "remain static as long as the heat's on."¹¹⁸ The "heat" referred to diplomatic and economic pressure.

In sharp contrast to U.S. reactions towards Rabta, those towards the news of Tarhunah were quite firm. As was noted above, several high-level policy-makers had no qualms about openly threatening Qadhafi and Libya if they did not cease work on the new plant. Specific statements about bombing and tactical nuclear weapons definitely fell into the realm of coercive diplomacy. The objectives of U.S. coercive threats in this situation were equally as clear: "Shut down the plant or we'll do it for you".

¹¹⁶ Norman Kempster, "Reagan Calls Raid a Victory, Expects Struggle to Continue," *Los Angeles Times*, 16 April 1986, 1.

¹¹⁷ Unknown, "No Bombing Plan, Reagan Says," *Los Angeles Times*, 17 January 1989.

¹¹⁸ George Lardner Jr., "Satellite Photos Indicate Hoax at Rabta," *Washington Post*, 7 April 1990, 11.

Finally, we can examine statements made in the National Security Strategy pertaining to rogue states and see if they contain elements of coercive diplomacy designed to persuade Libya. The goal of this strategy is “to forestall or prevent such hostile acts [use of WMD] by our adversaries. To accomplish this, the United States will, if necessary, act preemptively.”¹¹⁹

In summary, five potential uses of coercive diplomacy exist in U.S.-Libyan relations: 1980s policy in the Gulf of Sidra, Operation EL DORADO CANYON, the Rabta crisis, the Tarhunah crisis, and George W. Bush’s preemptive strategy versus proliferators. Each of these cases is now further analyzed using the findings of George, Art and Cronin as metrics for their success or failure.

In his pioneering work on the subject, George identified eight factors which could positively influence the outcome of a coercive diplomacy strategy. They are the clarity of objectives, strong motivation of coercer to accept the costs and risk associated with the action, sufficient domestic and/or coalition support, strong coercer leadership, clear understanding of the desired end-state, target’s perception of the coercer’s sense of urgency, the target’s fear of unacceptable escalation, and motivation that favors the coercer. George proposes that strategies which contain most or all of these elements tend to have the best chance of succeeding.¹²⁰

George also notes that coercive diplomacy strategies can take on three different forms: The ultimatum (deadline with credible threat of severe punishment), the gradual turning of the screw (lower sense of urgency with incremental punishment, and the try-and-see (lacks urgency and credibility of severe retaliation). The ultimatum is the most desirable but may not always be available to the coercer.¹²¹

Art and Cronin further examine the work begun by George and arrive at several important conclusions. Among the most important with regards to Libya are the following. First, superior capability does not guarantee success. While capability matters, will, or credibility, is more important. Second, demonstrative denial of the target’s goals works better than threats or actions designed to punish it. Finally, a nation

¹¹⁹ Bush, *National Security Strategy*, 15.

¹²⁰ George, *Forceful Persuasion*, 69-72.

¹²¹ Alexander George in, Art and Cronin, *The United States and Coercive Diplomacy*, viii.

should only resort to coercive diplomacy if it is willing to go to war or have a suitable backup plan if war is unacceptable.¹²²

D. COERCIVE DIPLOMACY AND ITS EFFECTIVENESS AGAINST LIBYA

The following subsections analyze the effects of the different U.S. coercive diplomacy attempts in detail. The cumulative effects are then summarized.

1. Gulf of Sidra Policy in the 1980s

Was the coercive diplomacy successfully employed during the 1980s in the Gulf of Sidra? I argue that it was with some important caveats. I explained previously that the objectives of this period of coercive diplomacy were to both ensure that the Libyans could not claim the gulf as their own and continue pressure for Qadhafi to end his support of terrorism. Although it took about nine years, there were no more challenges to the American claims of Freedom of Navigation after 1989. Essentially, the Libyans lost every time they challenged American forces in the region. In this case, the United States possessed both the superior capability and the stronger will -- elements labeled as crucial by Art and Cronin. Additionally, the United States repeatedly demonstrated its willingness to deny the Libyans sole possession of the Gulf of Sidra. The shoot-downs of several Libyan fighters were reactive and not punitive in nature.

The objective of keeping pressure on Qadhafi for his support of terrorism is more difficult to qualify as a success or failure. Certainly, Qadhafi realized that American presence inside the “line of death” was more than just an exercise in enforcing the law of the sea. However, there was a distinct lack of threats from the United States directed towards the terrorist camps and training facilities. Also, there is no credible evidence that U.S. presence in the gulf persuaded Qadhafi to change his sponsoring of terrorists. In fact, Libyan-sponsored terrorist acts continued throughout the 1980s. At the most, this round of coercive diplomacy served to constantly remind Qadhafi that the United States was watching him and growing more and more distasteful of his foreign policy.

2. Operation EL DORADO CANYON

Did Operation EL DORADO CANYON fulfill its objectives as a case of coercive diplomacy? Again, I am hesitant to say that this operation fulfilled its objectives. One objective was to punish Libya for the Berlin disco bombing. The other

¹²² Art and Cronin, *The United States and Coercive Diplomacy*, 402.

was to persuade Qadhafi to end his support of terrorism. Certainly, this demonstrative raid was successful in inflicting limited punishment on Qadhafi. If the Reagan Administration's primary measure of success was bloodying the nose of Qadhafi, then the raid was an unqualified success. However, what did it do to persuade Libya to end terrorist sponsorship?

As a form of demonstrative denial, the evidence suggests that the success of the raid was rather limited. Although American airpower managed to damage two terrorist facilities, we know all too well today that terrorist organizations are extremely decentralized and amorphous. It would have been next to impossible to demonstrate the ability to find and adequately destroy Qadhafi's terrorist network. Qadhafi had to have known this and although bloodied, he continued to support terrorism as an instrument of foreign policy. The attacks on the airfields and command and control site did little to show the dictator that the United States could deny him his policy tool of choice. George notes that State Department figures showed a decrease in the amount of Libyan-sponsored terrorist activity following the attack. He also notes, however, that Qadhafi made a much greater effort to hide his activities.¹²³ Additionally, European nations had begun to tighten security measures which may have decreased the amount of terrorist attacks.

Thus, it seems that the raid on Libya delivered limited punishment to Qadhafi's regime. It was, however, much less effective in ending his support of terrorism. This case of try-and-see coercive diplomacy did not deliver as was desired. In fact, two of Libya's worst terrorist attacks, Pan Am and UTA, followed the operation. Additionally, the United States experienced many unforeseen negative consequences from the raid. Several European allies were openly critical of the U.S. attack, and most Arab nations strengthened their ties with Qadhafi to show Arab solidarity.

3. The Rabta Crisis

To categorize U.S. policy reaction to the Rabta discovery as a case of coercive diplomacy is a huge stretch. However, I feel it merits discussion as this is the first time that Libya was openly connected to WMD. Almost immediately after the discovery became public, the very limited talk about taking out the facility disappeared. There are a

¹²³ George, *Forceful Persuasion*, 57.

couple of explanations for this. Reagan was a lame-duck President waiting for George Bush to take over the presidency. He may have left the problem to Bush in order to give him the chance to formulate his own policy. Also, for many months, European nations denied the accusation, which complicated any military plans the United States may have been considering. Additionally, the United States was to take part in chemical weapons negotiations in Geneva and may have been waiting to see how these concluded before moving ahead with any plans involving Rabta.¹²⁴ However, a major U.S. naval deployment to the Mediterranean was announced soon after the Rabta plant was made public. This led to some speculation that the U.S. was preparing to attack Libya even though the Pentagon called the deployment “routine”.¹²⁵ In all likelihood, the mission was routine, but it created a condition that added credibility to initial U.S. threats.

Art and Cronin cite counter-coercion as one of the factors which make successful coercive diplomacy extremely difficult. They note, “If the target believes that it can foil or significantly mitigate the coercer’s measures or in turn impose risks on the coercer, through...‘counter-coercion’ techniques, which can be political, economic, or military in nature, then the target is much less likely to give way.”¹²⁶ Qadhafi’s staged fire at Rabta qualifies as one of these techniques. Even though U.S. intelligence revealed the hoax, Qadhafi had introduced reasonable doubt and risk into the minds of American policy-makers. However, Libya’s hoax can be interpreted in an additional manner.

In this episode, there was only cursory, threatened use of force. However, these threats came from an Administration that had shown willingness to use force against Libya throughout the 1980s. Qadhafi’s deception at Rabta was intended to make the West think that his WMD capabilities had been destroyed. He was worried about Western pressures which included these initial threats. Thus, there were most likely some very minor benefits from these initial threats. At that time, the United States had shown the will to bomb Libya. The relatively unprotected nature of the facility also meant that it had the capability. Essentially, U.S. threats acted as a mild deterrent that forced Qadhafi to be much more subtle in his proliferation efforts.

¹²⁴ McManus and Kempster, “Clash Over the Mediterranean,” 12.

¹²⁵ Unknown, “13 U.S. Warships Head for Mideast; Mission Classified,” *Los Angeles Times*, 3 January 1989, 1.

¹²⁶ Art and Cronin, *The United States and Coercive Diplomacy*, 369.

4. The Tarhunah Crisis

If the Rabta event can be classified as an example of try-and-see coercive diplomacy, then the U.S. reaction to the Tarhunah discovery may well have invented a new category, knee-jerk coercive diplomacy. Open threats ranging from conventional destruction of the facility to tactical nuclear weapons flowed freely from the mouths of senior policy-makers. What may have started as a legitimate attempt at coercive diplomacy turned into a policy disaster for the Clinton Administration during the Tarhunah event. Contingency planning against the Tarhunah complex unfolded as the United States actively considered joining the African Nuclear Free Weapons Zone Treaty where it would be obligated never to threaten the use of nuclear weapons on African soil.¹²⁷ The remarks of Howard Smith opened a can of worms that senior policymakers were not prepared to deal with. As suddenly and forcefully as the public threats against Tarhunah surfaced, they consequently disappeared. Most likely, the public debate of the nuclear weapons issue was a major reason for a hasty retreat from overt U.S. threats. Additionally, open debate also occurred with reference to the ability of U.S. weapons to destroy the complex.¹²⁸ It appears that the United States was severely hampered by both capability and credibility issues. Also, there seemed to be a lack of strong leadership among senior policy-makers. No one was able to control the remarks of different officials involved in the planning. Thus, the situation turned negative in a very short time.

Fortunately for the United States, it had an acceptable escape route: diplomacy and sanctions. It is interesting to note that only a few months later, Libya was added to the ILSA, Congressional legislation intended originally for Iran. Policymakers included Libya's renunciation of WMD as a necessary condition to have sanctions dropped. Tarhunah can be characterized as an ineffective case of coercive diplomacy. The United States lacked both the will and the capability to attack the complex.

¹²⁷ Arkin, "Nuking Libya," 64.

¹²⁸ Pine, "U.S. Hints It Would Bomb Libyan Weapons Facility," 4. Some officials said that weapons like the GBU-26 "bunker buster" would suffice. Smith announced that a tactical nuke was the only weapon capable of penetrating the facility.

5. President Bush's National Security Strategy and the Iraq Factor

What effect did the National Security Strategy of 2002 and the Iraq War have on persuading Libya to give up its WMD? This is a difficult question to answer since the general statements contained in the document apply universally to any nation that pursues WMD. Only Iran, North Korea and Iraq are mentioned by name. I think it is safe to say that most nations pursuing WMD at the time of the announcement took notice of a shift in American military policy from reactive to preemptive. However, it is nearly impossible to find any public statements from the Bush Administration specifically mentioning Libya. Even in Bush's famous "Axis of Evil" section of his State of the Union address, Libya is conspicuously absent.¹²⁹ In this period, Libya was actively making good on its requirements mandated by UN sanctions. Martin Indyk, Assistant Secretary of State for Near East Affairs during the Clinton Administration, maintains that the Libyans were seeking to renounce WMD as early as 1999.¹³⁰ This certainly seems plausible given the lack of Libya as the target of any specific Bush Administration policy.

Many senior policymakers, including President Bush, have stated publicly that OIF was a major reason why Qadhafi renounced his WMD efforts. They argue that Qadhafi saw U.S. threats and war preparations against Saddam Hussein and realized that he might be next. Rather than face a major U.S. attack, he decided to give up on proliferation. At face value, this is a compelling argument. In addition to the preemptive strategy announced in the *National Security Strategy*, *The National Strategy to Combat Weapons of Mass Destruction* clearly shows the will of the United States to actively combat proliferation. It states, "WMD - nuclear, biological, and chemical - in the possession of hostile states and terrorists represent one of the greatest security challenges facing the United States."¹³¹ The message is that proliferation will not be tolerated. It was these new strategies that paved the way to a second war with Iraq.

While the blanket threats to proliferators laid out in these documents are very clear, the argument that OIF significantly persuaded Qadhafi is shaky at best for several

¹²⁹ George W. Bush, "State Of the Union Address," January 2002. Transcript found online at: <http://www.wafb.com/global/story.asp?s=1103906>, August 2005. The President singles out Iran, Iraq and North Korea but does not mention Libya.

¹³⁰ Martin Indyk, "The Iraq War did not Force Qadhafi's Hand," *Financial Times*, 9 March 2004.

¹³¹ *The National Strategy to Combat Weapons of Mass Destruction*, December 2002, 1. Available at www.whitehouse.gov/news/releases/2002/12/WMDStrategy.pdf (accessed August 2005).

reasons. First, Libya approached British agents on the eve of the Iraqi invasion. Qadhafi and his regime would have no forewarning of this attack for obvious security-related reasons. The timing was purely coincidental. Second, there is considerable evidence that the United States was actively involved in negotiations with Libya well before the Iraqi invasion. In his “Beyond the Axis of Evil” speech, John Bolton observed, “Although Libya is one of seven countries on the State Department’s list of state sponsors of terror, the U.S. has noted recent positive steps by the Libyan government that we hope indicate that Tripoli wishes to rejoin the community of civilized states.”¹³² The press also reported that the Bush Administration was considering Libyan overtures to give up WMD programs in exchange for suspension of the U.S. oil embargo. An U.S. official noted, “There is clearly a light at the end of the tunnel if he [Qadhafi] plays his cards right.”¹³³ Additionally, Libya had been passing intelligence to Western officials since the terrorist attacks of 11 September 2001.¹³⁴ This evidence supports a strategy of U.S. engagement of Libya rather than one of coercive diplomacy.

The preemptive strategies of the Bush Administration and the Iraq example did not force Libya to renounce its WMD. However, they did send a clear message to Qadhafi that proliferation would no longer be tolerated. The general statements made in the document and in Bush’s speeches about rogue nations had a small effect on Libya. With all of the other arms of American power working to isolate the North African nation, Bush’s new preemptive policy was just another reminder that Libya needed to clean up its act before it could enjoy the benefits of renewed membership in the international community.

6. Coercive Diplomacy and its Libyan Success Rate

The previous discussion highlighted five instances where coercive diplomacy may have played a role in persuading Libya to change its behavior. Throughout the 1980s, these attempts were aimed at stopping Libyan state-sponsored terrorism. I categorize these attempts as marginally successful. In the early and mid-1990s, coercive diplomacy attempts targeted Libya’s WMD capabilities. The Rabta episode persuaded Qadhafi to

¹³² John R. Bolton, “Beyond the Axis of Evil: Additional Threats from Weapons of Mass Destruction,” Remarks to the Heritage Foundation, 6 May 2002.

¹³³ Quoted in, Peter Slevin, “Bush White House Reconsidering Reagan’s ‘Evil Man’; Gaddafi’s Gestures May Change Policies,” *Washington Post*, 11 March 2002, A14.

¹³⁴ *Ibid.*, A14.

both hide and better protect his proliferation efforts. In contrast, the events surrounding Tarhunah showed Qadhafi that his counter-coercion techniques had been somewhat successful. When viewed together, coercive diplomacy attempts against the two plants were ineffective. The unfortunate series of events at Tarhunah negated the slight persuasion evident in the Rabta situation. Finally, the policies of the current administration were successful in showing U.S. resolve to rid the world of WMD. They had minor effects on the Libyan calculus.

D. WERE YOU REALLY SCARED MUAMMAR?

Of the five cases discussed above, only three of them relate directly to WMD. It would be easy to discard the coercive diplomacy cases of the 1980s because their objectives targeted Libyan state-sponsored terrorism. However, just as unilateral and multilateral sanctions cannot be separated; neither can these early coercive diplomacy attempts be separated from the later ones. The reason is simple. Any previous coercive diplomacy successes or failures from the past factor in to Qadhafi's calculus. The 1980s showed that the United States was serious about correcting Libya's misguided and harmful foreign policy exploits. Coercive diplomacy attempts in the 1990s were not persuasive. Initially, U.S. threats forced Qadhafi to hide his proliferation thereby making it more difficult. However, he also learned that hiding and protecting his WMD program could effectively counter U.S. coercive diplomacy attempts. The policies of the current administration represented a major shift towards a more general coercive diplomacy strategy, but they did not specifically address Libyan WMD. This lack of specificity made it more difficult to effectively manipulate Libya's calculus. Furthermore, the conditions necessary for effective coercive diplomacy did not exist in the three years leading up to Libya's decision. U.S. engagement of Libya during this time period overshadows coercive diplomacy.

I conclude that coercive diplomacy was not a significant contributor to Libya's renunciation of WMD. Instead, it merely served to reinforce the U.S. insistence that Libya amend its foreign policy to "play nice" with the rest of the world. Additionally, the Libyan case study should serve as a healthy reminder to policy-makers that coercive diplomacy is not a strategy to be employed haphazardly. Of all of the policy options available to the United States, it is the one that however attractive, will cost more than all

the others if misapplied. This cost is not measured in dollars or man-hours, but in the lives of young American men and women.

THIS PAGE INTENTIONALLY LEFT BLANK

V. CONCLUSION: FINDINGS AND IMPLICATIONS FROM THE LIBYAN CASE

A. INTRODUCTION

This thesis began with one, simple question: Why did Libya give up its weapons of mass destruction? As has been shown, the answer to this question is not so simple. Chapter I exposed the controversy concerning Libya's WMD calculus. Different groups and individuals involved in policy-making claim to know why Qadhafi felt compelled to give up his numerous proliferation attempts. Sanctions, intelligence and the threat of military force make up the three most popular and probable choices. Some advocate that decades of comprehensive unilateral and multilateral sanctions battered the Libyan economy by seriously hampering its oil revenue. Others maintain that continuous monitoring and intervention by Western intelligence agencies showed Qadhafi that he could not hide his proliferation attempts. Still others contend that U.S. military action and threats toward Libya and rogue nations, in general, showed that the United States would not tolerate proliferation and, if warranted, would take appropriate action. In reality, it is nearly impossible to say that only one of these policy instruments can be said to have forced Libya's hand. The combined use of these instruments, as well as internal dynamics, certainly factored into the North African nation's calculus. However, it is possible to show that some of these policy tools were more effective than the others. In other words, some measures employed against Libya were significant and some were not.

This work finds that sanctions, positive inducements and first-class intelligence work were significant in the Libyan case. U.S. coercive diplomacy attempts, although somewhat persuasive, were not significant. Additionally, the lessons of the Libyan case can be used in broader policy decisions targeting other proliferators. Furthermore, a study of Libya's renunciation yields theoretical implications as well, particularly in the fields of sanctions and coercive diplomacy.

B. IMPACT AND SIGNIFICANCE OF VARIOUS INFLUENCE STRATEGIES

The following table graphically represents the success of the three major policy tools targeted at Libya. (Figure 3) For explanation purposes, each tool is divided into the three time periods: the 1980s, the 1990s, and 2000-2003. In this manner, I can better define their impact at a snapshot in time, as well as show their cumulative effects. These periods are fully explained in the following subsections.

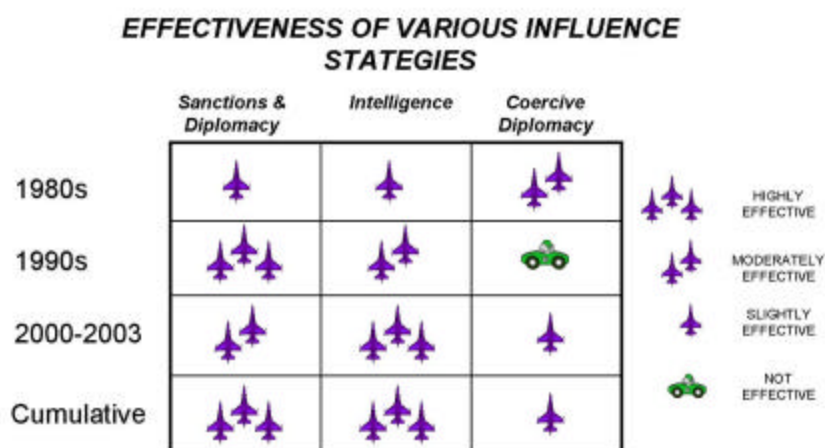


Figure 4. Effectiveness of Influence Strategies

1. Sanctions and Diplomacy

Throughout the three decades of U.S. problems with Libya and Qadhafi, the use of sanctions was prevalent. They began in the early 1980s and have only been lifted in the very recent past. The sanctions levied against Libya started small and progressively grew to become some of the most comprehensive and longest-lasting in recent history. They included both unilateral and multilateral regimes, and their significance is discussed below.

a. *The 1980s*

This decade marked the beginning of sanctions against Qadhafi and his regime. The Reagan-era unilateral sanctions of the 1980s started out gradually and soon escalated to a complete embargo. These sanctions had three explicit goals: punishing Libya for sponsoring terrorism, building support for multilateral sanctions, and building credibility for a military option in the event that sanctions failed to change Libyan behavior. Implicitly, sanctions were intended to facilitate regime change. The impact of

this period of sanctions was both economic and political. These sanctions had an intangible economic effect. The majority of Libyan oil fields and production facilities were originally built by American companies. As has been noted previously, Libyan oil production in the 1980s barely kept pace with OPEC quotas. These early sanctions did not hobble the Libyan economy as was hoped. However, the majority of the Libyan infrastructure remained dependent on U.S. technologies and expertise to remain functioning. Libyan oil fields were essentially frozen in the oil science of the late 1970s, while other oil producing nations benefited from newer technologies as they became available. Therefore, the sanctions of the 1980s are labeled as slightly effective. They did not achieve their lofty goals during the decade. However, they initiated the degradation of the Libyan oil industry on which the country's economy depends.

b. The 1990s

After Western authorities established the link between Libya and the perpetrators of the Pan Am and UTA bombings, multilateral sanctions soon followed. These sanctions aimed to force Libyan cooperation in the terrorist criminal trials and compel Qadhafi's regime to end its support of international terrorism. These sanctions impacted Libya in three ways. First, they hampered the Libyan oil industry with even greater success than the unilateral sanctions of the 1980s. The lack of increasing oil revenue worsened the Libyan economy which gave rise to internal pressures on Qadhafi and his regime. It became increasingly difficult for the Libyan government to quell discontent by throwing money at it. Second, UN multilateral sanctions politically isolated Qadhafi from the rest of the world. Qadhafi's attempts to become a transnational leader among Arab states and later North African states failed. None of these regional players could afford to be seen as cooperating with Libya. To do so would have meant the loss of their international prestige. Third, the multilateral ban on weapons-related technology transfers to Libya slowed and hampered Libyan efforts to procure WMD. The multilateral sanctions of the 1990s were the most successful and are labeled highly effective. At the end of the decade, Libya had surrendered the Pan Am suspects, compensated the families of the victims, and virtually disappeared as a major state-sponsor of terror.

c. 2000-2003

The last period of unilateral sanctions levied against Libya came in the ILSA and its 2001 extension. The ILSA sanctions are important because they are the only ones that mandated Libyan WMD renunciation. Although the ILSA came about in 1996, it is after 1999 when it can be recognized as impacting Libya. After UN sanctions were suspended in 1999, only U.S. sanctions remained in place. Some discount the ILSA sanctions because of big improvements in the Libyan economy after 1999. However, these improvements coincided with a jump in world oil prices. Libyan oil capacity remained severely degraded due to a lack of U.S. oil technology and expertise. When President Bush lifted most of these sanctions early this year, the Libyans immediately awarded upgrade and exploration contracts almost exclusively to U.S. companies.

After 1999, unilateral sanctions were aided by a new round of U.S. diplomacy with Libya. Qadhafi was offered a reinstatement in the international community and much needed U.S. investment in return for giving up on proliferation. The prospect of greatly increasing oil revenues and strengthening the Libyan economy certainly appealed to Qadhafi. The final round of U.S. sanctions and the positive inducements which accompanied it are labeled moderately effective. They alone could not persuade Qadhafi to give up his WMD. Yet, they were extremely effective in driving up the relative costs of his proliferation efforts.

d. *Finding 1: Sanctions and diplomacy were significant in Libya's WMD renunciation*

Twenty five years of comprehensive unilateral and multilateral sanctions severely hampered the Libyan economy. Although the demand to give up WMD was not specified in sanctions until 1996, it is impossible to separate those targeting terrorism and those which included WMD. Each round of sanctions progressively hurt the Libyan economy more and more. Once UN sanctions were suspended in 1999, the economy and oil infrastructure were in such a state of disrepair, that the remaining unilateral sanctions carried considerable weight. U.S. engagement of Libya took advantage of the punishment of sanctions and offered Qadhafi a return to the international community and a way to reinforce his authoritative grip on his country.

2. Intelligence

The United States and its allies used intelligence extensively in their efforts to curb wayward Libyan foreign policy. Intelligence work ranged from collection and analysis of Libyan terrorism to active counter-proliferation efforts. The effect and significance of this work is summarized below.

a. The 1980s

The intelligence work of the 1980s focused exclusively on Libyan-sponsored terrorism. While none of these intelligence successes directly contributed to Libya's decision to give up its WMD programs, they did contribute indirectly. Intelligence work on Libyan state-sponsored terrorism led quickly to major policy decisions from both the United States and the international community. These policy decisions included comprehensive unilateral and multilateral sanctions as well as U.S. coercive diplomacy efforts. The policy spawned by this intelligence work did influence Libya's WMD calculus. It did so by driving policymakers to craft sanctions and diplomatic efforts that eventually effected Qadhafi's cost-benefit analysis. Furthermore, the intelligence work of the 1980s showed Qadhafi that any of his attempts at problematic foreign policy would be closely monitored by the United States and its allies and that these entities would not allow him to proceed unchecked. For these reasons intelligence in the 1980s was slightly effective. Although it did not directly address Libyan WMD, it inspired WMD-related policy and influenced later decisions of the Libyan regime.

b. The 1990s

In the 1990s, U.S. intelligence work concentrated on Libyan WMD programs. This decade marks a shift from non-proliferation efforts to counter-proliferation efforts. In other words, intelligence agencies transitioned from collecting and analyzing Libyan WMD efforts to actively trying to stop or hamper them. On the non-proliferation side, intelligence revealed to the world some of the major portions of Qadhafi's WMD programs. Western agencies exposed its two major chemical weapons production facilities while they were under construction. This exposure had two results which can be called somewhat effective. One result is that repeated revelations into Libyan programs forced to Qadhafi to become successively more secretive with his proliferation efforts. The effect was that it was more difficult for him to breed successful

programs. The other result is that intelligence work focused negative attention on Qadhafi. No Western nation, or its industries, could afford to be associated with Libya. Qadhafi had to turn to different suppliers and thus take more chances which were easier for U.S. intelligence and other agencies to exploit.

U.S. intelligence counter-proliferation efforts began with Tarhunah. Here, U.S. intelligence agencies were directly involved in a coherent effort to stop the construction of the chemical weapons facility. While they did not succeed in halting the operation, they significantly delayed its completion. It took the Libyans over five years to complete the facility when a much more rapid timeline would have been possible with unrestricted access to the necessary equipment.

Thus, the effectiveness of U.S. and Western intelligence work in the 1990s is labeled as moderately effective. It did not stop Qadhafi's pursuit of WMD, but it most certainly obstructed it. Qadhafi would turn to more secretive and daring methods in order to continue his proliferation efforts. These methods could then be exploited.

c. 2000-2003

From 2000 to 2003 Western intelligence agencies played a vital role in persuading Libya to renounce WMD. The counter-proliferation efforts of these agencies directly led to the exposure of the Libyan nuclear weapons program. U.S. and British intelligence agencies were instrumental in halting the development of a Libyan nuclear weapon. They had penetrated the Khan network and learned the extent of Qadhafi's nuclear ambitions. Intelligence work then led to the interdiction of key elements of the Libyan program and publicly disclosed them to the world. The comprehensive picture of exactly what Western intelligence knew about its nuclear and missile programs finally convinced Qadhafi and his regime that they should abandon WMD and come back into the international community. Furthermore, intelligence agents were directly involved in the final negotiations between Libya and the West. Thus, intelligence work from 2000 to 2003 is labeled as highly effective. Western intelligence agencies succeeded in penetrating Libyan supply networks, interdicting key WMD components, and playing the part of covert diplomats that convinced the Libyans they should give up on WMD.

d. Finding 2: Intelligence work was significant in persuading Libya to renounce its WMD

The combination of both the moderate effectiveness of intelligence work in the 1980s and 1990s, and the high effectiveness of recent Western counter-proliferation efforts rooted in intelligence leads me to conclude that intelligence was significant in persuading Libya to renounce its WMD programs. The Western intelligence community formulated an accurate assessment of Libyan actions and programs. Quality intelligence products moved other nations to join the United States in punishing Libyan terrorism and proliferation by consistently highlighting Qadhafi's transgressions. Finally, intelligence actions allowed the United States to be proactive in ultimately halting the Libyan nuclear program.

3. Coercive Diplomacy

Throughout its tenuous relationship with the Qadhafi regime, the United States made several attempts at coercive diplomacy against Libya. These ranged from subtle threats to a full-scale military raid. The effectiveness and significance of these attempts is discussed below.

a. The 1980s

The 1980s represent the time period in which U.S. coercive diplomacy attempts were the most prominent and focused towards Qadhafi. The objectives of this period of coercive diplomacy were to both ensure that the Libyans could not claim the Gulf of Sidra as their own and continue pressure for Qadhafi to end his support of terrorism. Although it took about nine years, there were no more challenges to the American claims of Freedom of Navigation after 1989.

The objective of keeping pressure on Qadhafi for his support of terrorism is more difficult to qualify as a success or failure. Certainly, Qadhafi realized that American presence inside the "line of death" was more than just an exercise in enforcing the law of the sea. Also, the direct U.S. attack on Libyan soil showed the Libyan leader that the United States was serious about him ending state-sponsored terrorism. However, two of Libya's worst terrorist attacks, Pan Am and UTA, followed the operation. At the most, this period of coercive diplomacy served to constantly remind Qadhafi that the United States was watching him and growing more and more aggrieved at his foreign policy.

Thus, the coercive diplomacy efforts of the 1980s are labeled as slightly effective. They did not stop Libyan terrorism or the regime's pursuit of WMD. They did however demonstrate U.S. will, and this must have factored into decisions made by Qadhafi.

b. The 1990s

In the 1990s, U.S. coercive diplomacy efforts were meager at best. In the cases of the two Libyan chemical weapons plants at Rabta and Tarhunah, U.S. threats varied greatly. In the Rabta case, only the slightest of threats were made before the administration of the time resorted to diplomatic measures. The U.S. was capable of destroying the plant, but most likely lacked the political will. The Tarhunah case is different. Representatives of the Clinton Administration made very vocal threats towards the new plant. In fact, these included thinly-veiled threats of tactical nuclear weapons. With a huge negative public response to these threats, the United States quickly resorted to other measures such as the ILSA. Negative world opinion brought into question the will of policy-makers. Furthermore, the United States most likely could not have destroyed the plant even if it wanted to, meaning it did not have the capability. For these reasons, coercive diplomacy in the 1990s is labeled as non-effective. Although coercive diplomacy attempts directly targeted Libyan WMD programs, they did not possess the credibility to be successful.

c. 2000-2003

This era marks a huge transition in U.S. foreign policy. After the terrorist attacks of 11 September 2001, the current administration shifted to a policy towards WMD which included preemption as a viable option. WMD proliferation was presented as justification for the U.S.-led invasion of Iraq in 2003. Certainly, the Iraqi invasion showed the world that the United States would not tolerate proliferation of WMD. However, the available evidence suggests that the United States was more interested in engaging Libya on WMD rather than threatening it. There is a distinct lack of overt threats directed towards Libya over its WMD efforts. The fact that Libya approached Western intelligence the day before the invasion of Iraq seems to be coincidental. CIA testimony and reports point out that Libya was suffering under isolation and wanted a return of foreign investment, technology and expertise. I can only speculate on whether intelligence units used the Iraqi example in negotiations with Qadhafi and his regime.

Certainly, this would add weight to U.S. persuasive efforts, but engagement and coercive diplomacy are on opposite ends of the foreign policy spectrum. Thus, U.S. coercive diplomacy towards Libyan WMD is labeled slightly effective. Bush's National Security Strategy and the invasion of Iraq probably had a "bonus coercive effect."¹³⁵ The effects of other U.S. policies towards Libya were more influential, but the blanket threats of the Bush Administration slightly influenced Qadhafi's calculus.

d. *Finding 3: Coercive Diplomacy was not significant in Libya's decision to renounce WMD*

The relationship between U.S. coercive diplomacy attempts towards Libya and its decision to give up WMD suggests this tool was slightly effective at best. During the 1980s, U.S. coercive diplomacy efforts aimed to end Libyan support of terrorism. While they did not stop terrorism, they showed Qadhafi that the U.S. was willing to use some military force to counter wayward Libyan foreign policy. In the 1990s, U.S. coercive diplomacy attempts did nothing to influence Qadhafi. Their haphazard and random application showed a lack of both will and capability. Essentially, these efforts lacked the necessary credibility. The coercive diplomacy attempts of the current administration did not apply directly to Libya. For lack of a better term, I call these efforts *blanket coercive diplomacy*. While they may have factored in to Libya's cost/benefit analysis, they were far from decisive. Thus, the cumulative effects of coercive diplomacy targeting Qadhafi and Libya were not significant.

4. Summary

The three major external strategies to influence Libya's WMD proliferation were sanctions and diplomacy, intelligence and coercive diplomacy. All of these strategies were applied toward Qadhafi and his regime throughout the last three decades. However, only two of them were significant in persuading Libya to renounce its WMD.

a. *Finding 4: Sanctions and diplomacy as well as good intelligence work were the major significant external factors in Libya's renunciation of WMD*

Twenty-five years of comprehensive unilateral and multilateral sanctions and diplomatic isolation severely degraded the internal and international reputation of Qadhafi's regime. Their continuous application weakened Qadhafi and, in time, created

¹³⁵ Jamie Ann Calbrese, "Carrots or Sticks? Libya and U.S. Efforts to Influence Rogue States," *Strategic Insights* 11, no. 3 (November 2004).

the conditions which were necessary for Libya to acquiesce on its plans to continue to develop WMD. Once these conditions developed, U.S. engagement and intelligence work were able to exploit the internal situation in Libya. The use of positive inducements showed Qadhafi that he could stay in power and better his country if he abandoned WMD. Counter-proliferation efforts by Western intelligence agencies proved to Libya that it would not be allowed to continue with WMD proliferation. The combination of these factors sufficiently persuaded Qadhafi that it was more beneficial and less costly to rejoin the international community and bring in much needed foreign investment rather than pursue WMD.

C. POLICY IMPLICATIONS

The Libyan case is significant because it marks the first time a country viewed as a rogue state has voluntarily given up both sponsorship of terrorism and WMD programs. The obvious hope is that the lessons-learned from the Libyan case can be applied to other rogue nations or potential proliferators. For this reason, it was necessary to catalogue which influence strategies were significant and those that were not. With these findings, I can now discuss their implications in a broader policy perspective.

1. Implication 1: Lessons from the Libyan case are not comprehensively applicable to more highly motivated proliferators such as Iran and North Korea

Many scholars and policy-makers may want to apply the success of the Libyan experience to nations such as Iran and North Korea. However, the nature of Libya is different. On the proliferation spectrum, Libya resides on the more easily influenced side for several reasons. First, Libya is, and has always been, completely dependent on oil revenues to support its economy. However, its strategic importance as an oil-producing nation is far outweighed by oil powerhouses such as Saudi Arabia, Kuwait and Iran. Comprehensive unilateral and multilateral sanctions targeting the Libyan oil industry were possible because the world did not rely heavily on Qadhafi and his country to supply it. The fact that Libyan oil is of excellent quality and the country's geographic location makes its exports highly desirable to the United States and Europe. However, Western countries have never relied upon its supply.

Second, Libya is not, and never was, a technologically advanced country. While the country is fairly educated, it is not technologically self-sustaining. Throughout its

history of pursuing WMD, Libya relied almost exclusively on foreign expertise. When Western sources disappeared, it was forced to turn east and open itself to exploitation by good intelligence work.

Third, Qadhafi's regime, while extremely authoritarian, relies upon the economy to placate its population with social benefits. This is a main source of the regime's power. Cutting off oil revenue severely jeopardized Qadhafi's position. Policy tools besides the threat of military force were thus able to sufficiently influence Libya.

Finally, the United States and its allies had plenty of time to allow different influence strategies to show effectiveness. The lack of indigenous expertise and ease of isolating the nation allowed the West to sit back and wait until Libya was ripe for engagement and exploitation.

Iran is similar to Libya in that it is extremely dependent on its oil revenue and foreign investment in the oil industry. However, Iran is different than Libya in a few key areas. First, Iran's WMD programs are much more advanced than those of Libya.¹³⁶ There is not the same amount of time available to allow these policy tools to work. Furthermore, the technological education of Iran is at a much higher level than Libya. Additionally, the Iranians have gone to great lengths to conceal their WMD programs. It may be an impossible task to highlight their WMD transgressions as was done with the Libyans. Iran is also a major supplier of oil to Europe and Asia. It is foolish to hope that the international community will decide to place multilateral sanctions on Iran. The cost of these sanctions for many countries would far outweigh the benefits. Additionally, there is probably no good military option for countering Iran. We do not know enough about their programs to accurately target their WMD. Furthermore, U.S. involvement in Iraq severely degrades U.S. military capability against other rogue nations.

North Korea does not depend on oil for its livelihood. In fact, it is very difficult to learn anything about the isolated and extremely closed nation. Like Iran, North Korea is much more technologically advanced in its WMD programs. They do not have to rely on foreign suppliers to the extent of Libya and are therefore much less susceptible to interdiction. Finally, the reasons for North Korean and Iranian proliferation may be far

¹³⁶ NS4285, Class notes, Naval Postgraduate School, Winter Quarter, 2005.

different than those of Libya. While Libya did make progress towards viable chemical and nuclear programs, it probably did not view them as absolutely essential to national security. The opposite seems to be true in Iran and North Korea.

2. Implication 2: Lessons from the Libyan case can be applied to other potential proliferators

While Iran and North Korea cannot be treated the same as Libya, other nations can. Countries that are considering proliferation can be targets of the sanctions, intelligence and threats that influenced Libya. Nations with little indigenous technical expertise and highly dependent on foreign investment are good candidates for the types of influence strategies employed against Libya. Additionally, those nations that think WMD might increase their international importance, such as Sudan, but do not consider them vital may also be good candidates.

3. Implication 3: The effective use of intelligence agencies in counter-proliferation scenarios is very important

The Libyan case shows us that Western intelligence can be very effective beyond its traditional roles of collecting and analyzing information for policy-makers. Decision-makers can use intelligence in a persuasive manner. Merely collecting intelligence on WMD supply networks will not stop proliferation. The United States must be willing to devote proper human and technical resources to penetrating and influencing these networks. This effort will take considerable amounts of time, money, and persistence, but the Libyan case shows that it will be beneficial. In this manner, we are in a position to stop proliferation and not merely observe how it occurs. While some countries may be past this point, others are ripe for exploitation.

D. THEORETICAL IMPLICATIONS

In addition to the policy implications discussed above, the Libyan case produces two important theoretical questions which merit further study. These are discussed below.

1. Theoretical Question 1: What is the value of placing additional unilateral sanctions on top of existing multilateral sanctions?

Most scholars agree that multilateral sanctions are more effective than unilateral ones. Certainly, the body of evidence suggests this. However, the Libyan case suggests that U.S. unilateral sanctions were still effective even when UN sanctions were lifted. I

explain in Chapter II that one of the reasons is the Libyan dependence on U.S. oil technology, expertise and business practices. It would be worthwhile for further studies to research how applicable these types of sanctions would be against other countries. The ILSA added WMD renunciation as a requirement to the suspension of sanctions already existing targeting Libya. Future research should probe whether adding additional compliance terms to sanctions regimes will have the desired effect on the target nation.

2. Theoretical Question 2: What is the effectiveness of *Blanket Coercive Diplomacy*?

All academic research on coercive diplomacy has been conducted on cases where one nation uses this strategy against another. The National Security Strategy and WMD Strategy of the United States are examples of coercive diplomacy attempts. However, they target several nations. Policymakers need research which explores this question in detail. If blanket threats are sufficient, then the job of U.S. policymakers becomes easier. I have concluded from the Libyan case, that these threats were not significant in Libya's decision. Additionally, the current U.S. involvement in Iraq may undermine blanket threats. How can other nations be expected to take U.S. threats seriously when our situation in Iraq has the military bogged down? I do not think that coercive diplomacy should never be used. On the contrary, it can be highly beneficial. However, I do not think that many decision-makers understand the implications of their threats. It is essential that we understand the implications of blanket threats before our preemptive policy is put into further practice.

E. CONCLUSION

Libya's 2003 decision to give up its weapons of mass destruction was a great moment for the international community. It showed the world that one nation realized that it did not need to pursue proliferation to become an influential member of the global society. We cannot, however, content ourselves with this piece of history. Proliferation remains a great threat to the world, and any successful cases of preventing it must be analyzed and dissected to provide valuable lessons that apply to other cases. I have concluded that the use of sanctions and diplomacy and intelligence significantly influenced the Libyan renunciation of WMD. This conclusion may not be helpful in combating Iranian and North Korean proliferation due to the nature of their programs. However, the broader implications of the Libyan case can be applied to other countries.

It does not provide an irrefutable roadmap to stop proliferation, but it does give valuable insight to policy-makers on what types of influence strategies are effective in certain situations.

LIST OF REFERENCES

- “Libya” http://www.nbcdefence.net/nore/me_na1.htm, February 2005.
- Arkin, William M., “Nuking Libya,” *Bulletin of Atomic Scientists* 52, no. 4 (July/August 1996), 64.
- Art, Robert J. and Cronin, Patrick M., *The United States and Coercive Diplomacy*, (Washington D.C.: United States Institute of Peace Press, 2003), 6.
- Bolton, John R., “Beyond the Axis of Evil: Additional Threats from Weapons of Mass Destruction,” Remarks to the Heritage Foundation, 6 May 2002.
- Boucek, Christopher, “Libya’s Return to the Fold?” *Strategic Insights* 3, no. 3 (March 2004).
- Boyne, Walter, “El Dorado Canyon,” *Air Force Magazine* 82, no. 3 (March 1999).
- British Broadcasting Corporation,
<http://newsvote.bbc.co.uk/mpapps/pagetools/print/news.bbc.co.uk/1/hi/world/africa/3336/>, March 2005.
- Bush, George W., “State Of the Union Address,” January 2002. Transcript found online at: <http://www.wafb.com/global/story.asp?s=1103906>, August 2005. 1
- Bush, George W., *National Security Strategy of the United States*, (Washington D.C.: U.S. GPO, 2002).
- Bush, George W., Executive Order, 20 September 2004.
<http://www.whitehouse.gov/news/releases/2004/09/20040920-5.html>, March 2005.
- Calbrese, Jamie Ann, “Carrots or Sticks? Libya and U.S. Efforts to Influence Rogue States,” *Strategic Insights* 11, no. 3 (November 2004).
- Central Intelligence Agency, *Unclassified Report to Congress on the Acquisition of Technology and Advanced Conventional Munitions*, 1 July through 31 December 2000, (Washington D.C.: U.S. GPO, 2000).
- CIA World Factbook, “Libya,”
<http://www.cia.gov/cia/publications/factbook/geos/ly.html>, September 2005.
- CIA, <http://www.cia.gov/cia/reports>, September 2005.

CIA, Terrorism Review, 5 October 1989, 2. Obtained at <http://www.foia.cia.gov/>.

Cirincione, Joseph, "The World Just Got Safer, Give Diplomacy the Credit," *Washington Post*, 11 January 2004.

Cirincione, Joseph, Wolfsthal, Jon B., and Rajkumar, Miriam, *Deadly Arsenals*, (Washington D.C.: Carnegie Endowment for International Peace, 2002).

Clawson, Patrick, "Libya's WMD Renunciation: How to Consolidate and Replicate," Statement to House Committee on International Relations, 10 March 2004.

CNN Website, "Bush official: Libya's nuclear program a surprise," <http://www.cnn.com/2003/WORLD/africa/12/19/libya.nuclear>, February 2005.

Cody, Edward, "E. German Defector Bring Intelligence Lode; Stasi member confirms Libyan Involvement in Berlin Disco Bombing," *Washington Post*, 21 June 1990, A27.

Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction, *Report to the President of the United States*, (Washington D.C.: U.S. Government Printing Office, 31 March 2005).

Committee of Privy Counselors, *Review of Intelligence on Weapons of Mass Destruction*, (London: The Stationary Office, 2004).

Emerson, Steven, "Pan Am 103: Terrorism Whitewash?; Libya is Culpable, but Did Syria Really Take a 'Bum Rap' as Bush Says?" *Washington Post*, 17 November 1991.

Energy Information Administration, "Libya Country Analysis Brief," <http://www.eia.doe.gov/emeu/cabs/libya.html>, August 2005.

Frantz, Douglas, "The World: A High-Risk Nuclear Stakeout," *Los Angeles Times*, 27 February 2005, A1.

Gearon, Eamonn, "Libya Ignores European Overtures," *Middle East* 355, April 2005, 36.

George, Alexander L., *Forceful Persuasion: Coercive Diplomacy as an Alternative to War*, (Washington D.C.: United States Institute of Peace Press, 1991).

Haass, Richard and O'Sullivan, Meghan, *Honey and Vinegar*, (Washington D.C.: Brookings Institution Press, 2000).

Haass, Richard, *Economic Sanctions and American Diplomacy*, (Washington D.C.: Council on Foreign Relations, 1998).

Hufbauer, Gary, Schott, Jeffrey, and Elliot, Kimberly, *Economic Sanctions Reconsidered*, (Washington D.C.: Institute for International Economics, 1990).

Indyk, Martin, "The Iraq War did not Force Qadhafi's Hand," *Financial Times*, 9 March 2004.

Kempster, Norman, "Reagan Calls Raid a Victory, Expects Struggle to Continue," *Los Angeles Times*, 16 April 1986, 1.

Lardner, George Jr., "Satellite Photos Indicate Hoax at Rabta," *Washington Post*, 7 April 1990.

Manning, Jason, "Raid on Libya," <http://eightiesclub.tripod.com/id313.htm>, August 2005.

Mark, Clyde R., "Libya," *CRS Issue Brief IB93109*, 17 March 2005.

McManus, Doyle and Kempster, Norman, "Clash Over the Mediterranean: U.S. Tries to Cool Confrontation, Seeks Peaceful Ways to Disable Chemical Facility," *Los Angeles Times*, 6 January 1989, 12.

NTI Chronology of Libyan Nuclear Program,
http://www.nti.org/e_research/profiles/Libya/4132_5203.html, September 2005.

O'Sullivan, Meghan, *Shrewd Sanctions: Statecraft and State Sponsors of Terrorism*, (Washington D.C.: Brookings Institution Press, 2003).

Organization of the Petroleum Exporting Countries, "Interactive Annual Statistical Bulletin 2003,"
<http://www.opec.org/library/Annual%20Statistical%20Bulletin/interactive/2003/FileZ/Main.htm>, August 2005.

Pine, Art, "U.S. Hints It Would Bomb Libyan Weapons Facility," *Los Angeles Times*, 12 April 1996, 4.

Porter, Geoff D., "The Faulty Premise of Pre-Emption [Op-Ed]," *New York Times*, 31 July 2004.

Roth, Terence, "German Firms Tied to Libyan Facility Will be Broken Up," *Wall Street Journal*, 21 June 1991.

Sinai, Joshua, "Libya's Pursuit of Weapons of Mass Destruction," *The Nonproliferation Review* 4, no. 3 (spring/summer 1997).

Slevin, Peter, "Bush White House Reconsidering Reagan's 'Evil Man'; Gaddafi's Gestures May Change Policies," *Washington Post*, 11 March 2002, A14.
Squassoni, Sharon and Feickert, Andrew, "Disarming Libya: Weapons of Mass Destruction," *CRS Report RS21823*, 22 April 2004.

Tenet, George, "The Worldwide Threat 2004: Challenges in a Changing Global Context," Testimony before the Senate Armed Services Committee, 9 March 2004.

The National Strategy to Combat Weapons of Mass Destruction, December 2002, www.whitehouse.gov/news/releases/2002/12/WMDStrategy.pdf, August 2005.

U.S. Department of State, "State Sponsors of Terrorism," <http://www.state.gov/s/ct/c14151.htm>, August 2005.

United Nations Security Council, "UN Resolution 731," *Security Council Resolutions – 1992*, 1992.

United Nations Security Council, "UN Resolution 748," *Security Council Resolutions – 1992*, 1992.

United Nations Security Council, "UN Resolution 883," *Security Council Resolutions – 1993*, 1993.

United States House of Representatives, H.R. 1954: *ILSA Extension Act of 2001*, 107th Cong., 1st Sess., 2002, 1. Hereafter referred to as ILSA Extension.

United States House of Representatives, H.R. 3107: *Iran and Libya Sanctions Act of 1996*, 104th Cong., 2nd Sess., 1996, 3-5; Hereafter referred to as ILSA.

Unknown, "13 U.S. Warships Head for Mideast; Mission Classified," *Los Angeles Times*, 3 January 1989, 1.

Unknown, "Kohl Links Libya to Disco Bombings but Cautions U.S.," *Los Angeles Times*, 11 April 1986.

Unknown, "No Bombing Plan, Reagan Says," *Los Angeles Times*, 17 January 1989.

Waller, Douglas "Target Gaddafi, again," *Time* 147, no. 14 (1 April 1996).

Walt, Vivienne, "Libya's New Face: GADDAFI'S SON IS OPENING HIS ISOLATED COUNTRY TO BUSINESS—AND BIG OIL IS LOOKING FOR DEALS," *Time International* 165, no. 2 (January 2005), 38.

White House press briefing,
<http://www.whitehouse.gov/news/releases/2004/06/20040608-19.html>, March
2005.

THIS PAGE INTENTIONALLY LEFT BLANK

INITIAL DISTRIBUTION LIST

1. Defense Technical Information Center
Ft. Belvoir, Virginia
2. Dudley Knox Library
Naval Postgraduate School
Monterey, California
3. Institute for National Security Studies (HQ USAFA/DFES)
USAF Academy, Colorado
4. National Defense University (NDU)
Fort McNair, Washington, D.C.
5. Air War College (AWC)
Maxwell AFB, Alabama
6. Peter Lavoy
Naval Postgraduate School
Monterey, California
7. Jeffrey Knopf
Naval Postgraduate School
Monterey, California